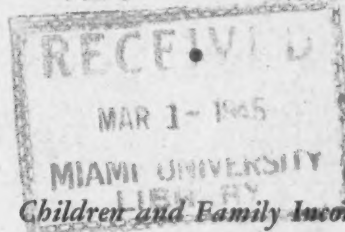


# Social Security Bulletin

January 1945

Vol. 8

No. 1



*Children and Family Income*

*Social Security for Domestic Employees*

*Disability and Medical Care Insurance*

*Why Beneficiaries Retire*

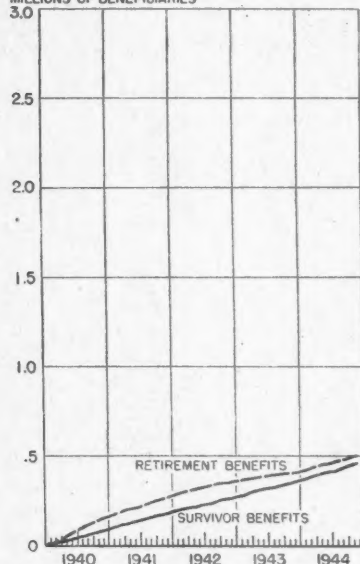
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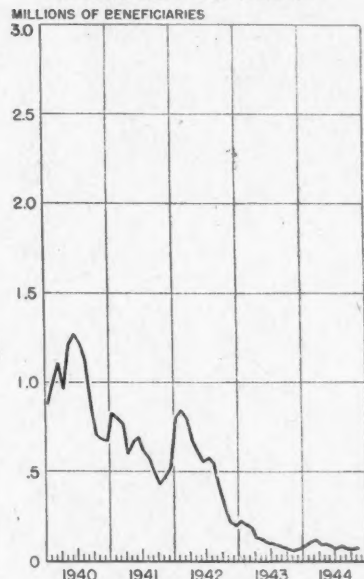
WASHINGTON, D. C.

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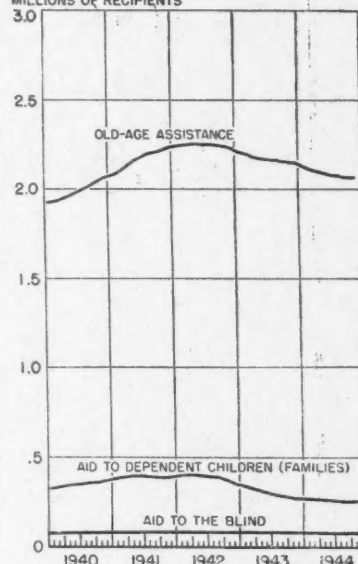
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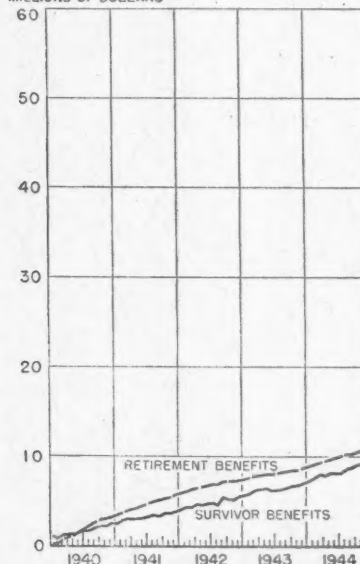
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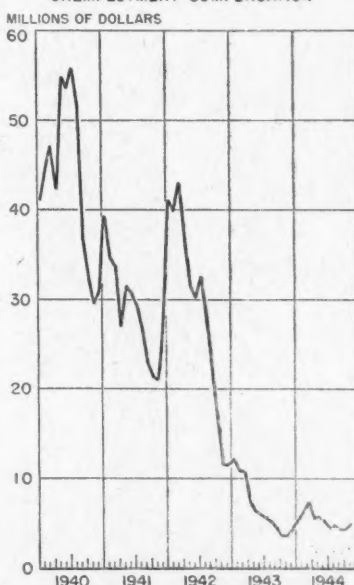
PUBLIC ASSISTANCE  
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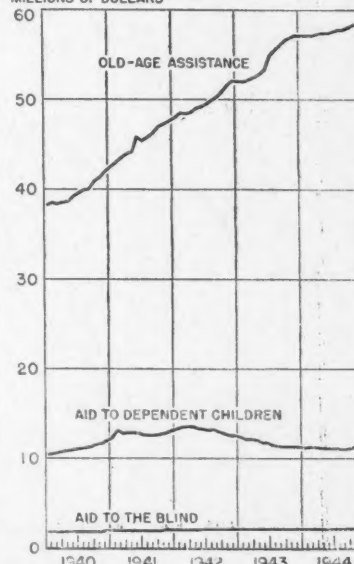
OLD-AGE AND SURVIVORS INSURANCE  
MILLIONS OF DOLLARS



SOCIAL SECURITY PAYMENTS  
UNEMPLOYMENT COMPENSATION  
MILLIONS OF DOLLARS



PUBLIC ASSISTANCE  
MILLIONS OF DOLLARS



\*Old-age and survivors insurance, beneficiaries for whom payments were certified and amounts certified during month; unemployment compensation, weekly average number of beneficiaries for the month and gross benefits paid during the month under laws of States and Territories; public assistance, recipients and payments in the continental United States under all State plans.







# Social Security Bulletin

Volume 8

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## Social Security in Review

### *The Month in Review*

IN OLD-AGE AND SURVIVORS INSURANCE, the roll of monthly benefits in force passed the \$20 million mark in November and by the end of the month represented 1.1 million beneficiaries. A rise in the number of awards of survivor benefits more than offset a decrease for primary and wife's benefits so that November benefit awards slightly outnumbered those in October. Reports for the third quarter of 1944 show that at the end of September some 72.3 million living persons, or more than two-thirds of the total population above grammar-school age, held account numbers under the old-age and survivors insurance system. Account applications in July-September were fewer than in any third quarter on record and far fewer than in the same quarter of 1943, with a relatively sharper drop for women than for men.

UNEMPLOYMENT BENEFIT DISBURSEMENTS in November were 13 percent above the October amount and 39 percent above that in November 1943, with many States sharing in both increases. The weekly average number of beneficiaries and number of weeks of unemployment compensated both also were above the October levels and about one-fourth above those for November 1943. For the United States as a whole, there were similar but less sharp increases in initial and continued claims for benefits, though in a few States receipts of continued claims exceeded the very small numbers in November 1943 by as much as 2, 3, or even 6 to 1. For the entire period January-November, however, all major unemployment compensation operations in 1944 were at markedly lower levels than in 1943 and only a fraction of those in 1942.

IN AID TO DEPENDENT CHILDREN, recipient rolls in November broke the continuous decline during more than 30 months with a very small increase. General assistance, in which likewise

there had been a long period of substantial decline in case loads, also showed a tendency toward increase in November, as in the 2 months preceding. For old-age assistance and aid to the blind, the recipient rolls continued to fall very slightly. In the country as a whole, November payments to recipients under each of the four programs were higher than in October in terms of both the aggregate amount and the average individual payment.

### *The President's Messages on the State of the Union and on the Budget*

In his annual message, presented to Congress on January 6, the President again stressed the need for "an Amer-

ican economic Bill of Rights," proposed in his preceding message, "under which a new basis of security and prosperity can be established for all—regardless of station, race, or creed." The most fundamental of these rights, he declared, "and one on which the fulfillment of the others in large degree depends, is the 'right to a useful and remunerative job in the industries or shops or farms or mines of the Nation.' In turn, others of the economic rights of American citizenship such as the right to a decent home, to a good education, to good medical care, to social security, to reasonable farm income, will, if fulfilled, make major contributions to achieving adequate levels of employment." He added that he planned, at a later date, to communicate further with the Congress on an expanded social security program and adequate health

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and education programs, which "must play essential roles in a program designed to support individual productivity and mass purchasing power."

In his budget message to Congress on January 9, the President reported that appropriations for administration and grants under the social security program are estimated at \$494 million for the fiscal year 1946, an increase of \$14 million over the fiscal year 1945, largely for higher grants to match payments of the States under the Social Security Act. "I hope," he declared, "that the Congress will give early consideration to extension and improvement of our social security system and will reexamine the financial basis of the program."

"We must develop the human standards and material resources of the Nation, which in turn," the President said, "will tend to increase our productivity and most effectively support business expansion and employment. Our program should include provision for extended social security, including medical care; for better education, public health and nutrition; for the improvement of our homes, cities and farms. . . . We must plan now so that these programs can become effective when manpower and material are available."

"I shall from time to time submit to the Congress recommendations for legislative measures to implement our demobilization program and to assure jobs for all returning war veterans and discharged war workers."

In discussing the program for veterans, the President pointed out that the number of veterans of the present war will increase until "at full tide these veterans will constitute one-tenth of the population and almost one-fourth of the labor force," adding, "The responsibility which we are assuming for their jobs, education, medical care and financial assistance makes it increasingly essential that these programs for veterans be integrated with other programs of like nature affecting the whole Nation."

#### *War Mobilization and Reconversion Report*

In his first report as Director of War Mobilization and Reconversion (*Problems of Mobilization and Reconversion*, H. Doc. No. 9, 79th Cong., Jan. 3, 1945), James F. Byrnes renewed the recommendation, contained in his

earlier report as War Mobilization Director, that Congress should liberalize unemployment benefits for civilian workers. "Such legislation," he said, "would perform the double duty of alleviating distress among lower-income workers who become unemployed and of helping to maintain a high-level output of peacetime goods."

#### *War Contracts Subcommittee Report*

A national production and employment budget, based on a policy which would make the Federal Government responsible for seeing that the national employment remains at about the 60-million mark, was proposed as "an economic substitute" for war contracts by the War Contracts Subcommittee of the Senate Committee on Military Affairs in its year-end report (S. Subcommittee Print No. 12, 78th Cong., Dec. 18, 1944). Accompanying the report is a draft bill—The Full Employment Act of 1945—transmitted "without commitment, for the purpose of stimulating discussion."

The budget proposed by the subcommittee would be "made up, on the one hand, of the total expenditures needed to guarantee full employment and, on the other hand, of prospective total expenditures." Since a deficiency of expenditures would mean unemployment, "a twofold program is set forth for balancing the National Production and Employment Budget. First. There is to be a general program for encouraging increased non-Federal investment and expenditure. This may call for new policies or programs dealing with banking and currency, taxation, wages and working conditions, social security, and related fields."

"Second. To the extent that this program may not be sufficient to balance the budget, a second program is called for—a program of Federal investment and expenditure. This program would be 'designed to contribute to the national wealth or well-being'."

The proposal would require the President to submit this new budget, with the regular budget for the operations of the Federal Government, to Congress on the first day of each regular session. A fundamental premise of the proposal is that a joint committee, composed of representatives of

appropriate congressional committees, would be created to study and aid in formulating budget policy.

#### *Subcommittee on Wartime Health and Education Report*

The Subcommittee on Wartime Health and Education again calls attention, in its third interim report (S. Subcommittee Rept. No. 3, 78th Cong., January 1945), to the need of better medical care for the population as a whole.

The subcommittee reports that it is not prepared, on the basis of the information it has gathered to date, "to formulate a complete national health program or to make detailed recommendations." It believes, however, that with the development of a national network of health centers and rural, district, and base hospitals, "facilities would be available through which every person, regardless of where he lived, might receive (a) immediate diagnosis and care for the common, relatively simple ailments and (b) easy access when necessary to the more complicated types of medical service."

The evidence examined led the subcommittee to conclude that the fee-for-service system "is not well suited to the needs of most people or to the widest possible distribution of high-quality medical care." It believes that solution of the problem lies in some form of group financing. Whether this "might be achieved by voluntary or compulsory health insurance, by use of general tax funds, or by a combination of these methods," the subcommittee does not decide, but it holds that "insurance methods alone would not be enough, because they are not applicable to the unemployed or to those in the lowest income groups." Pending achievement of a solution which will assure complete health care for the whole population, however, "more adequate provision should be made for medical care of the needy. This will require increased appropriations by local, State, and Federal Governments."

There are, the subcommittee believes, "three necessary methods of approach" to the task of providing good medical care to all the people. "The first involves education of the people, of the professions, and of the Government. . . . The second approach is through legislation. There

is urgent need for modern medical facilities . . . especially in rural areas and in crowded war-industry communities. To meet these needs money must be provided, and Federal financial assistance will be necessary. The third approach is through better organization of medical services," which can best be achieved by regional planning.

Recommendations for immediate action made by the subcommittee on the basis of its preliminary findings include Federal grants-in-aid to States for post-war construction of hospitals and medical and health centers and for extension of full-time local public health services; Federal scholarships, loans, or other aid for medical education; and Federal funds for medical care of all recipients of public assistance, allotted to States under "more flexible" formulas "in order to give more aid to States where needs are greatest."

#### *Resettlement of Persons of Japanese Ancestry*

The mass exclusion orders which caused evacuation of persons of Japanese ancestry from the Pacific Coast area in 1942 were revoked by the Commanding General of the Western Defense Command on December 17, 1944. For this mass exclusion of Japanese-Americans, now made unnecessary by the favorable progress of the war in the Pacific, the revocation order substitutes a system of individual determination and exclusion. Effective January 2, individuals in the relocation centers whose records have stood the test of Army investigation during the past 2 years are to be permitted the same freedom of movement throughout the United States as other loyal citizens and law-abiding aliens. Those about whose loyalty the Army has doubt will continue to be excluded from the Coast.

On December 18, the day after the Army announcement revoking the mass exclusion orders, the Supreme Court, by a vote of 6 to 3, upheld the constitutionality of the wartime regu-

lations under which American citizens of Japanese ancestry were evacuated from the Pacific Coast areas. In another decision, published the same day, the Court ruled unanimously that Japanese-Americans of unquestioned loyalty to the United States could not be detained in war relocation centers.

Under the original exclusion orders, applied to areas in Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, and Washington, more than 110,000 persons were evacuated between March and August 1942 to relocation centers, administered by the War Relocation Authority, which was established in March 1942. Acting on the premise that the national interest would best be served by permitting loyal evacuees to resettle in normal communities, where their labor would best be utilized for the war effort, the WRA began in October 1942 to grant such persons indefinite leave. On December 23, 1944, almost 37,200 individuals were on such leave, many of them young people who had found jobs in the East and Middle West. It is expected that some of the latter may persuade their parents to join them. About 3,700 of those who have left the centers have entered the armed forces, 1,200 of them volunteers and 2,500 inducted under Selective Service; in all, some 15,000 persons of Japanese ancestry, from both the continental United States and Hawaii, have entered the armed services of the United States. On December 16 more than 61,000 evacuees were still living in the 8 relocation centers, and an additional 18,790 were at the Tule Lake, California, segregation camp; this latter figure includes not only the individuals whose sympathies lie with Japan but their families as well.

Although problems of transportation, housing, and community attitudes loom large, Army and civilian officials alike seem confident that they can keep the return of evacuees to the Coast a planned and orderly process. In addition to offices already open in other parts of the country,

WRA will establish a number of relocation offices along the Coast to aid evacuees who have an acceptable plan for relocation in their former homes or elsewhere. Whenever necessary to help evacuees reestablish normal family life in the community in which they relocate and to provide assistance to those in need, resettlement assistance, under the program of assistance to enemy aliens and others, will be used. (For a statement concerning this program, see the October 1942 BULLETIN, pages 27-30.) Operating responsibility for the resettlement assistance program rests with the Bureau of Public Assistance of the Social Security Board, and the program is administered by the State public assistance agencies.

#### *Ministry of National Insurance Act, 1944*

With the passage on November 14 of a bill creating a Ministry of National Insurance, Great Britain took the first step toward implementing the Government's recent White Paper on Social Insurance.

The new legislation, to which Royal Assent was given on November 17, provides for appointment of a Minister of National Insurance and for the transfer to him of "the functions of the Minister of Health and of the Secretary of State with respect to national health insurance, old age pensions, widows', orphans' and old age contributory pensions and supplementary pensions; the functions of the Minister of Labour and National Service with respect to unemployment insurance and unemployment assistance; and the functions of the Secretary of State with respect to workmen's compensation."

Sir William Jowitt, formerly Minister Without Portfolio in the Churchill Government, has been named Minister of National Insurance. His chief immediate task will be to frame legislation and work out the administrative changes necessary to effect the Government's proposals for social insurance.



## Children and Family Income

By Thomas J. Woolfer, Jr.\*

BECAUSE CHILDREN ARE very unevenly distributed among families, their opportunities for development are very unequal. This article concerns the maldistribution of children and income in nonfarm families with income from wages or salaries only.<sup>1</sup> Nearly half these children are in the one-seventh of the families which have three or more children, and the other half are in about one-third of the families which have one or two children. Almost half the families have no children (table 1, chart 1).

On a comparable unit basis, income of families without children (half the families) averages more than twice that of families with three or more children (including half the children). Stated another way: With the same total family income, the family without children can either maintain twice as high a level of living as that with three or more children or can accumulate savings. In fact, owing to the association of low incomes and high birth rate, the average total family income of childless families is higher than that of families with three or more children even before dividing by family units.

Inadequacy of income to supply the needs for a satisfactory level of living is an element in a very wide range of problems and a consideration in determining numerous social policies. The family allowances adopted or proposed in many countries are designed to lessen the economic handicaps of families with children. These considerations apply to the determination of wage rates, one school of thought going so far as to advocate a "family wage" adjusted to family needs rather than to productivity. Similar problems are involved in considering the adequacy of survivor benefits under the Social Security Act, prevailing scales of assistance grants, and the question whether unemployment benefits should be graduated upward with family size. Such con-

siderations also have played a major part in determining the scale of allowances for dependents of men in the armed forces and of compensation to families of men killed or disabled in military service, and in appraising the effects of exemptions from income taxes because of dependents. Analysis of this character also demonstrates the need for maintaining widely available tax-supported services in public health and education to equalize the opportunities of families with children.

### Distribution of Children and Income

Children are proportionately more numerous in families at the bottom of the total income scale than at the top. Among families in which both husband and wife are present, more than half (55 percent) of the children are in families with less than the median total family income (\$1,487) (table 2). This distribution results primarily from the disproportionate number of no-child families with more than the average income and of families with three or more children and less than average income. Half the families without children have incomes of less than \$1,563, while half

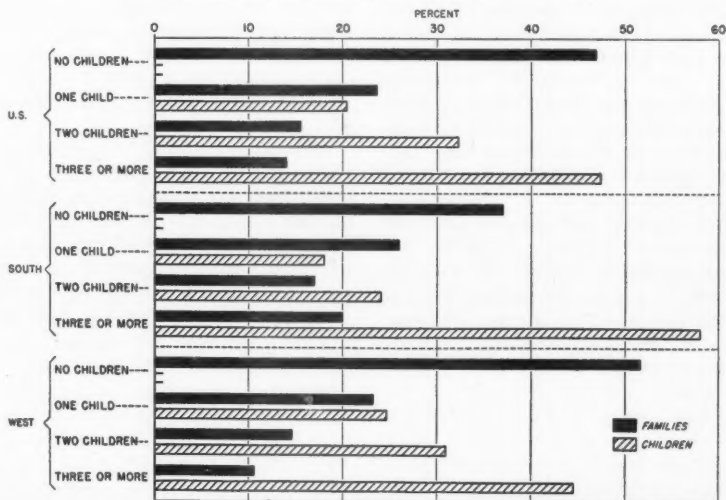
the families with three or more children have incomes of less than \$1,223.

The causes which underlie the association of low incomes with large families are the subject of many volumes. Various complex factors contribute to the result. Among these are the different family attitudes of different occupational groups, the improvidence sometimes associated with ignorance and low income, and the occurrence of maximum family responsibilities when parents are relatively young—before they have reached the peak of earning capacity, which comes late in middle age (table 3).

To measure the individual supporting power of incomes of various types of families, it is necessary to relate average income to average size of family—that is, to use a form of per capita income. For present purposes, family size is expressed in terms of family units, assigning full unit value to an adult and a half unit to a child. For example, a family with a man, wife, and three children would have two full and three half units or three and one-half units. At best this method is only an approximation of relative consumption needs. It results, however, in a conservative statement of the low unit incomes of families with children, since those incomes would appear smaller in relation to those of families without

Chart 1.—Percentage distribution of families and children in families, by number of children in family and by region<sup>1</sup>

[Nonfarm families, 1940, with only wage or salary income in 1939]



\*Director of Research, Federal Security Agency.

<sup>1</sup>Unless otherwise indicated, all statements in this article relate to nonfarm families with only wage or salary income, 1939. For sources of the data, definitions, and classifications see the appended technical note.

<sup>1</sup>For definitions of families and children, see technical note at end of article. Regions represent census regions; data for Northeast and North Central regions conform closely to United States total.

Table 1.—Families, children in families, and median family unit income, by number of children in family<sup>1</sup>

[Nonfarm families, 1940, with only wage or salary income in 1939]

Number of children	United States			South		West	
	Percent of families	Percent of children	Median family unit income	Percent of families	Percent of children	Percent of families	Percent of children
All families:							
Total number.....	14,751,080	16,398,867	\$474	3,729,380	4,784,515	1,718,760	1,584,397
Total percent.....	100	100		100	100	100	100
No child.....	47	0	592	37	0	52	0
1 child.....	24	20	508	26	18	23	25
2 children.....	15	32	429	17	24	14	31
3 or more children <sup>2</sup> .....	14	48	281	20	58	11	44

<sup>1</sup> For definitions of families, children, and family unit income, see technical note at end of article. Regions represent census regions; data for Northeast and North Central regions conform closely to United States total.

<sup>2</sup> Average 3.9 children per family.

children if each child had been counted as one, instead of one-half, in getting the unit figure. Moreover, the variations in unit income which result from the method used are so wide that more refined scales of unit equivalents would not change the conclusions reached.

In the nonfarm wage or salary earning population, every family has (by definition) a head. Eighty percent of the heads of families are husbands whose wives are living with them. In other families a male head but no wife is present, and still others are headed by women. All these types of families vary in number of children and of "extra" adults, that is, parents, grandparents, other relatives of the head, and offspring who remain with

their parents beyond the age of 18. These last form by far the largest proportion of extra adults. The average family has 1.1 children and .5 extra adults.

Variations in family unit income result both from differences in total family income and in family composition. The most striking differences, however, are those among families with different numbers of children. The range is from \$281 for families with three or more children to \$592 for families without children—a difference of over 100 percent (table 1). These differences hold not only for man-and-wife families, but also for the broken families (chart 2). The economic disadvantage of families headed by women, especially women

Table 2.—Families and children in husband-and-wife families, by total family income

[Nonfarm families, 1940, with only wage or salary income in 1939]

Total family income	Families	Children
Total.....	12,063,000	15,074,000
\$1-499.....	1,246,000	1,822,000
500-999.....	2,315,000	3,279,000
1,000-1,499.....	2,643,000	3,468,000
1,500-1,999.....	2,322,000	2,838,000
2,000-2,499.....	1,508,000	1,686,000
2,500-2,999.....	778,000	789,000
3,000-4,999.....	1,011,000	957,000
5,000 and over.....	240,000	235,000
Median income.....	\$1,487	

with children, is striking. One in every eight nonfarm families is headed by a woman, and, since earnings in such families are lower to begin with, the average unit income for those with one child is \$341; for those with three or more children it is only \$151, or less than one-third the average for all wage or salary families (\$474).

If attention is centered not on averages but on the families which are both above the average in size and below the average in income, the difficulty of stretching available money to cover pressing family needs is apparent. The frequency of these families is indicated by the proportion of low unit-income families with children, since excess size in relation to total family income results in a low unit income. Table 4 and chart 3 show the distribution of all nonfarm families according to their unit income and the number of children in the families within each unit-income group. Almost one-third of all children are in families with unit incomes of \$150-299, and about 70 percent are in families whose unit incomes are below the national median of \$474.

The relative financial disadvantage of families with children thus is shown

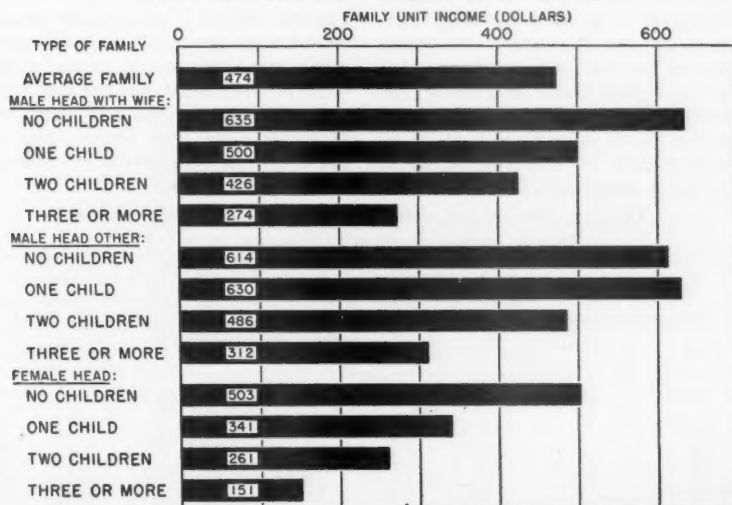
Table 3.—Median total family income and average number of children per family, by age of male family head

[Nonfarm families, 1940, with only wage or salary income in 1939]

Age of head (years)	Median total family income	Average number of children
Under 25.....	\$902	0.73
25-29.....	1,230	1.02
30-34.....	1,394	1.58
35-39.....	1,454	1.94
40-44.....	1,505	
45-49.....	1,536	1.40
50-54.....	1,540	
55-59.....	1,434	.69
60-64.....	1,326	
65 and over.....	1,238	.31

Chart 2.—Family unit income<sup>1</sup> of nonfarm families, by type of family

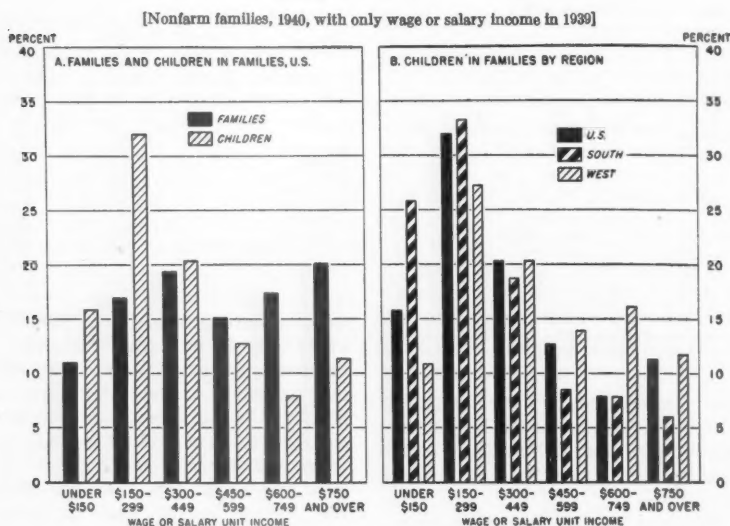
[Nonfarm families, 1940, with only wage or salary income in 1939]



<sup>1</sup> For definition, see technical note at end of article.



Chart 3.—Percentage distribution of families and children in families, by wage or salary unit income



by three different methods of relating family income to the children to be supported: (1) with respect to *total* family income, 55 percent of all children in husband-and-wife families are in families with less than the median income (table 2); (2) with respect to the number of children in the families, the average unit income of the families with three or more children is only half that of families without children (table 1); and (3) with respect to families classified by unit income, more than two-thirds of the children are in families with less than the national median unit income (table 4).

#### Regional and State Differences

Both family composition and income vary widely in different parts of the country. Table 5 and chart 4 show such variations in family structure by residence, race, and region. The residential classification demonstrates the tendency of urbanization to reduce the size of family in number both of children and of adults. Urban families averaged only .9 of a child per family as against 1.6 in farm families, and 2.4 adults as against 2.5 in farm families.

Regional and State variations in nonfarm family composition are largely the result of a combination of the degree of urbanization and the family customs of the area. For instance, urbanization is not as far advanced in the West as in the North-

east, but the greater proportion of single-person families and of older couples in the West reduces the average size of family considerably below that of the Northeast. Pennsylvania, which is as urban as Ohio, has larger families because of the family patterns of the miners, who constitute a large proportion of the families in Pennsylvania villages and small cities; and Utah, which is more urban than Montana, has considerably larger families because of the Mormon influence.

Chart 1 shows the deviations of the South and the West from the United States in the proportion of families having 0, 1, 2, or 3 children; patterns for the Northeast and North Central regions are so similar to that for the United States as a whole that they have not been charted separately. In the South only 37 percent of all families had no children, while in the West more than 50 percent had

no children. In the South 20 percent of the families had three or more children and included 58 percent of all the children; in contrast, only 11 percent of the families in the West had three or more children, and these families included 44 percent of all the children.

Chart 3 also shows the regional variation in the distribution of children according to family unit income. In the South, as would be expected, the concentration of the children in the lower-income families is considerably greater than in the Nation as a whole; in the West, it is somewhat less.

In general, the low-income States are likewise the States with the largest number of children per family (chart 5). There are, therefore, very wide variations among the States in average family unit income, which ranges from \$218 in Mississippi to \$586 in New York and \$620 in Nevada.

#### Farm Families and Incomes

Although it is not possible to present an analysis of farm incomes comparable to the nonfarm wage or salary incomes, information from other sources indicates that farm incomes are even smaller than those of nonfarm families and farm families are larger. It has already been noted (table 5) that farm families include more children and more adults. In 1940, agricultural income was estimated at 7 percent of the total national income and the agricultural population at 23 percent of the total. In that year, 30 percent of all the Nation's children were in the farm population. While a considerable number of farm families have some non-agricultural income, it is not sufficient to counterbalance the fact that the proportion of the population on farms is more than three times as great as the proportion of income earned from farms.

Table 4.—Families and children in families, by family unit income

[Nonfarm families, 1940, with only wage or salary income in 1939]

Family unit income	United States			South		West	
	Percent of families	Percent of children	Cumulative percent of children	Percent of families	Percent of children	Percent of families	Percent of children
Total.....	100.0	100.0	-----	100.0	100.0	100.0	100.0
Under \$150.....	11.0	15.8	15.8	19.7	25.8	6.8	10.8
150-299.....	17.0	32.0	47.8	22.4	33.2	14.7	27.2
300-449.....	19.4	20.3	68.1	22.0	18.7	18.1	20.3
450-599.....	15.1	12.7	80.8	11.9	8.5	17.0	13.9
600-749.....	17.4	7.9	88.7	12.5	7.8	20.9	16.1
750 and over.....	20.1	11.3	100.0	11.5	6.0	22.5	11.7

Furthermore, within the farm population there is the same tendency toward concentration of children in low-income families. The farming sections which have the largest families are those of the Cotton South, the Appalachian and Ozark Mountain areas, the Lake States cut-over area, and the Mexican Border. In all these areas, farm incomes are relatively low. If, therefore, it had been possible to include farm families in the national distributions of unit income, the concentration of children in low-income families would have been more pronounced than that which has been shown by the analysis for nonfarm families.

### Family Income and Population Policy

This concentration of children in low-income families has disturbing possibilities for the size and quality of future generations. Since nearly half of the children are growing up in a relatively few larger families, and since most of these families have an extremely thin margin of security, there tends to be a vicious circle in this segment of the population: children in large families with low incomes lack adequate opportunities for development and grow up to be disadvantaged parents of another disadvantaged generation.

There are those who, without examining all aspects of this problem, propose family limitation in the low-income families as the only solution. Such a proposal presents the other horn of the dilemma; namely, that

Table 5.—Persons in all families, by age, color, residence, and region, 1940, and median nonfarm wage or salary income, 1939, by region

Color, residence, and region	Persons (in thousands)		Average per family		Median nonfarm wage or salary income	
	18 years and over	Under 18 years	18 years and over	Under 18 years	Total	Per family unit
United States, total.....	83,578	39,353	2.39	1.13		
White.....	76,206	34,673	2.41	1.09		
Nonwhite.....	7,372	4,680	2.26	1.44		
Urban.....	49,336	19,219	2.38	.93	\$1,380	\$474
Rural nonfarm.....	16,451	8,730	2.28	1.21		
Rural.....	17,791	11,404	2.52	1.61		
Northeast.....	23,750	9,589	2.50	1.01	1,575	525
North Central.....	26,086	11,452	2.37	1.04	1,441	502
South, total.....	24,745	14,567	2.40	1.41	965	330
White.....	19,108	10,895	2.43	1.38	1,228	419
Nonwhite.....	5,577	3,672	2.31	1.52	508	179
West.....	8,997	3,745	2.17	.90	1,454	555

family limitation has already spread to such an extent that, except for the temporary wartime rise, the population of the United States is barely replacing itself. Urban areas are already below the replacement level and rural areas not far above. Thus, any marked general extension of family limitation would bring with it all the depressing economic effects which accompany a declining population.<sup>2</sup>

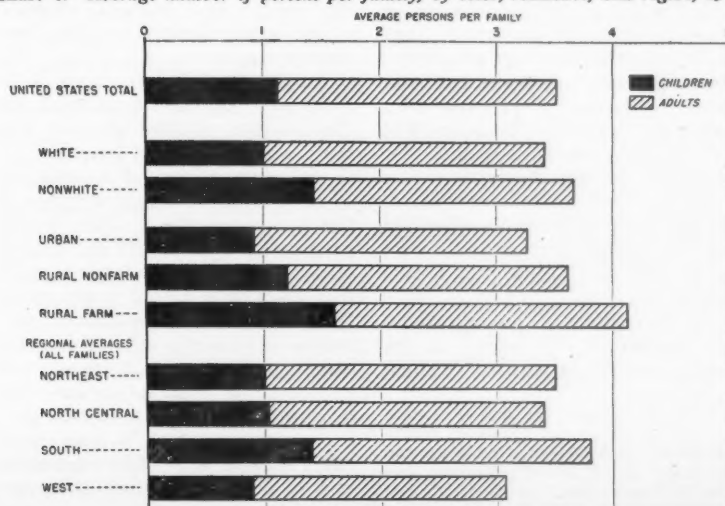
It would be the counsel of defeatism to propose a social policy which would admit inability to devise a system for maintaining, with democratic opportunities, a sufficient number of children to replace, and to some extent increase, the numbers in the

present generation. Those who look forward to healthy expansion in the economy and enrichment of culture would prefer to see an increase in the adequacy of the support of families rather than a further decrease in the proportion of children. Policies which contribute to this result would include a wide variety of measures designed to raise the level of private income, to extend the availability of tax-supported protective and developmental services for promoting public health, public education, and public welfare, and to improve the system for underpinning the security of family incomes. While this article does not propose to develop the various policies for increasing the general level of family incomes or of diversifying the field of tax-supported services, certain relationships of family security to the child population may be outlined.

### Special Insurance and Assistance Implications

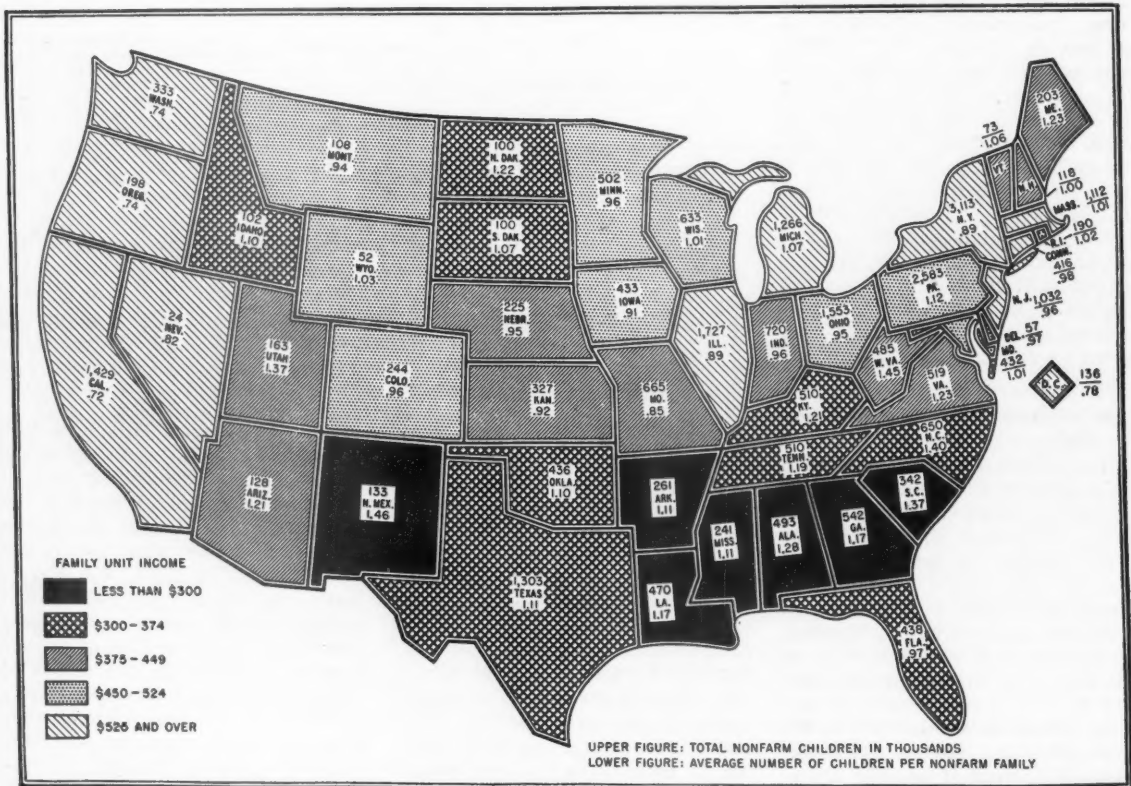
It has already been noted that the combination of large size with low income allows a very thin margin of security for the families in which a substantial proportion of the coming generation is growing up. Occurrence of such combinations of size and income in any considerable proportion of the families creates a reservoir of insecurity just above the relief level in which the accumulation of savings is almost impossible and the satisfaction of the normal needs for family comfort and child development is extremely difficult. The number of such families varies according to the relative movement of wages and prices but is never negligible, and, in periods of general economic maladjustment

Chart 4.—Average number of persons per family, by color, residence, and region, 1940



<sup>2</sup> Myrdal, Gunnar, *Population, A Problem for Democracy*, 1940; Lorimer, Winston, and Kiser, *Foundations of American Population Policy*, 1940.

Chart 5.—Nonfarm children, 1940, and unit income of nonfarm families, 1939, by State



or specific family misfortune, considerable numbers of such families shift from self-support to at least partial reliance on public provisions for income maintenance.

That these large families do add to the problems of public assistance is indicated by their appearance in considerable numbers among the recipients of assistance. In the early 1930's, when most types of assistance were included in operations of the Federal Emergency Relief Administration, the families receiving assistance were larger than those in the general population.<sup>3</sup> Similar differences are reflected in data of the Consumer Purchases Study of 1935.

<sup>3</sup> Urban 2-or-more-person relief households averaged 3.8 as against 3.5 in the general population (WPA, Division of Social Research, *Urban Workers on Relief* (Research Monograph 4), p. 8). Rural relief families had a ratio of 1,036 children under 5 years of age to 1,000 women 20 to 44 years of age, as against a ratio of 697 in the whole rural population (WPA, Division of Social Research, *Rural Families on Relief* (Research Monograph 17), pp. 60-62).

Nor does the system of social insurance now in effect fully meet the needs of large families. Present programs do not cover farm workers, a class which has about the largest average family size, or domestic workers, a class with medium-sized families. In some of the States where agriculture is dominant, upwards of two-thirds of the children are in families unprotected by either unemployment insurance or old-age and survivors insurance. Furthermore, among the families with members in covered jobs, the workers with low wages or sporadic employment are those who frequently lose insured status.<sup>4</sup> It is probable that in 1940 about 40 percent of all children were in families with an insured breadwinner.

The distribution of family incomes also emphasizes the failure of the present system to protect against

<sup>4</sup> Trafton, George H., and Feinroth, Leonard H., "State Differences in Insurance Status Under Old-Age and Survivors Insurance," *Social Security Bulletin*, Vol. 7, No. 8 (August 1944), pp. 6-11.

certain hazards. The inability of families whose unit income is below the cost of a maintenance level of living to accumulate savings emphasizes the necessity of cash benefits to offset loss of wages when the breadwinner is temporarily or permanently disabled and of provision to help meet the emergency medical expenses which large families are the most likely to incur.

Families excluded from social insurance coverage and those which suffer financial reverses not now provided against by social insurance are likely to have to depend on assistance in time of economic misfortune. If the family includes a blind or aged person or a parent with the custody of dependent children, some member may be eligible for aid under one of the State-Federal assistance programs. If, on the other hand, the family is simply too large to meet its necessities from its income, it is dependent on the State or local general assistance, which in some places offers meager aid. The concentration of children in the low-income



States subjects them to a double disadvantage in public assistance. Although the need for assistance is proportionately greater in such States, the amount of assistance provided there is limited by the low taxpaying capacity of States and localities. In the Federal-State matching programs, and especially in aid to dependent children, the public assistance agencies in the low-income States are less able to make payments up to even the maximum which may be matched under the provisions of the Social Security Act. In several States this situation seriously limits the numbers of applicants who are accepted for assistance as well as the adequacy of the assistance provided.

These considerations emphasize the importance of two of the recommendations of the Social Security Board for strengthening public assistance: First, the likelihood that income in large families may fall below the needs of the family suggests the appropriateness of extending Federal matching to general assistance, available to any person in need. Second, the variation among the States in family needs and in taxing capacity leads to the recommendation that the equal-matching formula for all Federal grants to States for public assistance be changed to one in which the Federal matching would vary in accordance with a State's need and ability to pay.

Now, when the air is full of plans for progress, it is not too much to suggest that every State and community should reexamine its provisions for services and security for children and should balance the needs in this field with proposals for superhighways, monuments, and other plans for material improvement. Federal agencies concerned should be ready to assist in such planning. To this end, a few States—but all too few—have officially designated committees of their State planning organization to formulate recommendations in this field which may be integrated with other proposals for post-war development. The programs proposed to the States by the Council of State Governments contain strong recommendations that this course be followed. Technical planning in the fields of public health, public education, and public welfare

should, of course, proceed in the agencies which are charged with the responsibility for administering these programs. There is need at the present stage of planning development for more attention to such planning within the agencies which are concerned with children and for a greater representation of the needs of such programs in the over-all planning councils of the States and communities.

### Technical Note

The analyses were based on data from the following volumes of the U. S. Census of 1940: *Population—Characteristics by Age*; *Population—Families—Family Wage or Salary Income in 1939*; *Population—The Labor Force—Wage or Salary Income in 1939*; *Population and Housing—Families—General Characteristics*; *Population—Families—Types of Families*; *Population—Families—Size of Family and Age of Head*. Except for table 5 and chart 4, the figures relate to nonfarm families with wage or salary income only. For methods of computation, see the article by the author "A Method of Analysis of Family Composition and Income," *Journal of the American Statistical Association*, December 1944.

The following definitions and classifications apply:

**Family.**—A private family comprises a family head and all other persons in the home who are related to the head by blood, marriage, or adoption, and who live together and share common housekeeping arrangements. A person living alone is counted as a 1-person private family. A family head sharing his living accommodations with 1 or more (but not more than 10) unrelated persons is counted as a 1-person private family. Under this definition, family members exclude persons in institutions, and lodgers, servants, guests, foster children, and wards living in the household.

**Children.**—All persons in the family under age 18, except those who were heads of families or their wives. In 1940, 93 percent of the children in nonfarm families were children of the head, 5 percent were grandchildren, and 2 percent, other relatives.

**Adults.**—Persons aged 18 years and over and persons under age 18 who were heads of families or their wives.

**Wage or salary income,** as reported

to the census, includes all money received in 1939 in compensation for work or services performed as employees, including tips, commissions, piece-rate payments, bonuses, etc. The value of income received in kind, such as living quarters, meals, and clothing, is not included. The income reported was the total wages or salaries before deduction was made for social insurance.

The following items were listed as types of income to be excluded from wage or salary income: (1) earnings of businessmen, farmers, or professional persons derived from profits, sale of crops, or fees; (2) sums received as unemployment compensation; (3) direct relief or charity; (4) income in kind; (5) sums received for travel and expenses incurred in travel.

**Income classification of families.**—This article is concerned with one classification only, i. e., (1) nonfarm families with wage or salary income only—mostly wage earners and white-collar workers; this class includes 14,750,000 families or 42 percent of the United States total. Complete income data are available for this group of families only. Other groups, distinguished by type of income and residence, are:

(2) Mixed nonfarm groups—families receiving some of their income from wages or salaries and more than \$50 additional from "other" sources.

(3) Nonfarm families without wage or salary income—families receiving income only from "other" sources.

(4) Farm families with wage or salary income only—mostly farm laborers. Their cash income is, however, not comparable to urban income, since many of them receive income in kind, such as living quarters or meals, which is not recorded either as wages or salaries or as "other" income.

(5) Farm families with mixed income—mostly farm operators who also work off the farm or whose family includes a wage-earning member.

(6) Farm families with no wages or salaries—practically all farm operators without other employment.

**Total family income.**—The sum of the earnings from wages or salaries of all family members.

**Family unit.**—One adult or two children.

**Family unit income.**—The wage or salary income of a family divided by the number of family units, or the median income of a group of families divided by the average number of family units in the group.

## Social Security for Domestic Employees

By A. J. Altmeyer\*

FROM THE VERY BEGINNING of the social security program, it has been recognized that domestic employees needed the protection of social insurance just as much as industrial and commercial employees. Because general administrative experience was lacking, however, special problems in including domestic employees seemed much more forbidding then than now. Coverage of such employment is complicated by the fact that many persons employed in private homes receive part of their pay in the form of room and board, laundry, and similar "wages in kind." More important, relatively few households have more than one paid worker, and a large proportion of the employees work for two or more families in the same week and often in the same day. Employing households therefore may nearly equal, if not exceed, the number of employees. The employment relationship also is frequently brief, and housewives generally keep no record of the wages they pay.

It therefore did not seem wise to attempt to bring household workers into old-age and survivors insurance under the quarterly pay-roll reporting plan adopted for obtaining wage records and collecting contributions in industrial and commercial establishments. Housewives could not be expected to make quarterly reports to the Government. The inclusion of household workers in the program was therefore deferred until experience had been gained in administering the program for industrial and commercial employees, and until the special problems of household employment could be studied more fully. As a result, the general houseworker, cook, scrubwoman, or chauffeur who works in a private home has been excluded, though men and women who do exactly the same kinds of work for business concerns—often with better pay and working conditions—have been covered from the beginning.

### *Household Workers Not Covered by Labor Laws*

Domestic workers are included under the old-age insurance systems of Belgium, Bulgaria, Chile, Costa

Rica, Czechoslovakia, France, Germany, Great Britain, Italy, the Netherlands, New Zealand, Poland, Rumania, Spain, Sweden, Uruguay, the Union of Soviet Socialist Republics, and Yugoslavia. In America, by contrast, they have been excluded not only from social insurance under the Social Security Act but also from nearly all other social legislation. The Federal laws governing wages, hours, and working conditions do not apply to them. Wisconsin is the only State which has a minimum-wage law covering household employment, and Washington has the only State law regulating hours of work in private homes. With few exceptions, the protection of State workmen's compensation laws does not extend to household employees. New York includes household workers among those covered by its unemployment compensation plan, but only where four or more are employed by the same employer.<sup>1</sup> All other State unemployment compensation laws exclude employment in "domestic service in a private home."

The need for social insurance among household workers is particularly acute, because their wages usually are lower than those of any other major occupational group. "There need be little hesitation," the Women's Bureau reported with respect to prewar wages, "in putting household employment at the bottom of the list of nonmanufacturing employment on the basis of cash wages."

Surveys of household employment by the Social Security Board bear out this statement. A survey of Negro domestic workers in Baltimore in 1941 revealed that the average cash earnings of the women interviewed were only about \$330 in 1940. Even the women who had worked throughout the year averaged only \$497 in cash. Lack of full-time jobs, as well as inability to work because of illness or home duties, severely reduced the earnings of the women—more than one-third of the group—who worked by the day or had part-time jobs.

A survey of white women working in private homes in Chicago in the winter of 1941-42 found their earnings little higher than those of the Baltimore group. The average cash earnings for the *entire* group were about \$415 for the 12 months from July 1, 1940, to June 30, 1941. The 780 women who were employed in Chicago households throughout that period averaged only \$485.

Even these low earnings were somewhat higher than those reported for the country as a whole by the population census of 1940. Experienced women working in domestic service throughout the year 1939 reported average cash earnings in that year of only \$312. This low national figure is in part accounted for by the extremely low level of earnings reported by household workers in Southern States. In Mississippi, for example, the average was just under \$150 per year and in South Carolina, Georgia, Arkansas, and Alabama it ranged from \$158 to \$164. The highest earnings were reported by the women household workers employed full time and continuously in Connecticut; they averaged \$566 in cash. In only five other States—California, Massachusetts, New Jersey, New York, and Rhode Island—did workers with 12 months of employment average annual cash earnings of more than \$500.

With earnings at these levels, it is extremely difficult for women household workers—and nearly 90 percent of such workers are women—to lay aside anything against the hazards of unemployment, illness, disability, and old age. Nor can the married women, who comprised slightly more than a third of the household workers enumerated in the 1940 census, expect to get much protection under the present old-age and survivors insurance program through their husbands' employment in jobs covered by this program. In the Baltimore survey, only about 28 percent of the married Negro women had husbands who were insured under the program at the end of 1940. In the Chicago survey, slightly less than half of the married white women in household employment had some protection through the insured status of their husbands.

Despite the fact that domestic service is, in normal times, one of the lowest-paid occupations and one of the few occupations for women which

<sup>1</sup> A short statement on the operation of New York's provisions is carried elsewhere in this issue.

\*Chairman, Social Security Board.



are still generally unprotected by social insurance and other social legislation, household service still attracted, according to the latest census, nearly 18 percent of all women in the labor force. In 1940, about 11 percent of all white working women and nearly 60 percent of Negro working women were in household employment. Sixteen percent of the single women in the labor force, about 18 percent of the married women, and more than 27 percent of those widowed and divorced were household workers. Nearly 35 percent of the working married women whose husbands were not living with them were in household service. Household service is thus an important source of livelihood for women of every marital status, especially those who are or have been married. It is also normally a principal occupation for girls under the age of 20 and women beyond the age of 55. In 1940, slightly more than 26 percent of household workers were in these age groups, as compared with 17 percent of all working women.

Although the occupation is excluded from coverage under old-age and survivors insurance, household workers frequently make contributions under that program when they shift temporarily to covered employment. Though they then pay for old-age and survivors insurance at the same rate as other workers, their periods of covered employment are generally too short or too infrequent to enable them to meet the requirements for insured status and only rarely do they obtain protection under the program. In the Chicago survey of white household workers, for example, about 17 of every 100 women had some earnings in covered employment in the period January 1937-June 1941, but less than 2 in each 100 were insured under the program at the end of that period.

The war has sharply increased the extent to which household workers enter covered employment. Perhaps a million such workers have now been drawn into wartime factory and commercial jobs through which they are acquiring rights toward insurance benefits. Those who return to household work after the war, however, will find that, unless coverage has been extended to household service in the meantime, their potential benefits under the program will gradually diminish, and perhaps lapse altogether.

### *Administering Social Security for Household Workers*

Since 1935, 9 years of experience have been accumulated in the administration of social security, and studies have been made of the best way to introduce a feasible and convenient method of obtaining wage records and collecting contributions from workers in household employment. If the "stamp plan" were adopted, for example, the housewife would not have to keep any records or to fill out a quarterly wage report on the earnings of her maid or cook. Instead, she would go to any post office and buy social insurance stamps in convenient denominations, just as she now buys postage stamps and war savings stamps. When she paid her household help, she would place a stamp or stamps in a booklet belonging to the worker and bearing her name and social security account number. Thus, a wage payment of \$12 might be indicated by three stamps—each representing \$4 or one representing \$10 and two, \$1 each. The total cost of these, at present contribution rates, would be 24 cents. Half the cost would be deducted from the worker's cash wages as her social security contribution. The stamp booklet would be turned in periodically to the Board, and the wages indicated by the stamps would be credited to the worker's record by the Social Security Board, just like other wages. In this simple and convenient way the housewife could help to provide the same social security protection for household help as for other workers.

Because noncash remuneration, such as meals, room, and laundry privileges, is an important part of the household worker's real income, as the Baltimore and Chicago surveys show, these wages "in kind" should be included in the earnings credited to her in the Board's records. To help the housewife set a value upon them, and to avoid the possibility of disputes as to their value between housewives and workers, an official scale of values for wages in kind might be used. Such a scale could readily take account of urban-rural differences in the cost of living.

### *Need for Social Insurance Protection*

Domestic workers have lost much of the older form of security which, at

its best, derived from the relationship between the family and the "hired girl" who was a member of their household. Conditions of household employment have necessarily changed to accord with the mobility of present-day American life, and especially to accord with living arrangements in large cities. But so far, the women who cook and clean and launder and care for children in private homes have failed, almost without exception, to gain any of the social safeguards commonly recognized as necessary for other present-day workers. Nor can the conscientious employer, even if she wishes to, herself assure that the people who work for her will have adequate care if they are sick or injured or become old.

Protection under old-age and survivors insurance, desirable as it is, would only partly solve the security problems of household workers. They, as well as other workers, need insurance against the costs of medical and hospital care and against unemployment. Unprotected by workmen's compensation and working, as they so frequently do, for a number of families, none of which feels responsibility for their care in case of illness, household workers particularly need insurance against the costs of treatment for illnesses and accidents; they can seldom put aside any savings against such contingencies. Like other workers, they face the hazard of involuntary unemployment. The Board's Baltimore and Chicago surveys indicated that regular continuous employment is not characteristic of the work histories of household workers. Those who work by the day are particularly likely, in normal times, to have long periods when they are partially unemployed.

The Social Security Board believes that coverage under a comprehensive social security program would safeguard household employees from the fear of want in unemployment and old age, and relieve them of the necessity of asking for public care when they need medical or hospital treatment. As workers recognized and protected by a governmental social insurance program, household employees would then no longer feel themselves ignored or forgotten among America's working millions.

## Disability and Medical Care Insurance: An Excerpt From the Board's Ninth Annual Report

THE UNITED STATES is unique among the major industrial countries of the world in that it has no systematic general provision for offsetting loss of earnings when a worker is sick or disabled or for assuring that adequate medical care is available to persons who require it, regardless of their ability to pay for such care at the time they need it. Throughout the war years, as in all times except periods of widespread unemployment, the losses and costs attributable to sickness and disability have been the greatest single cause of poverty and dependency in the United States. If employers again make more restrictive and rigorous requirements in hiring workers, and if women and children find it harder than at present to get paid jobs, the volume of dependency attributable to disability and premature death will tend, of course, to be much greater than it has been in recent years.

### Disability Insurance

The burden of substandard health in the United States is dramatized by the finding that about 2 out of 5 of the men called up have been found physically or mentally unfit for military service at the Selective Service examination, and many others have been discharged for medical reasons while in training. On the basis of examinations made through May 1944, the Director of the System reports that "of the men between 18 and 37, more than 5 million are not physically fit to assume their responsibilities as citizens in war." The great majority of these, moreover, are "not only unfit for military service but because of their defects less useful to the community in any other capacity."

These figures, of course, relate only to men, and to men in the prime of life. In the whole population a far larger number of persons are handicapped by substandard physical or mental health. Rates of sickness and disability are higher among women than among men, and are much higher among persons aged 40 and over than in the age groups called for military service. Costs and losses from temporary or permanent disability are heavy,

often intolerable, drains on family income. They likewise constitute needlessly heavy burdens on public resources in the form of wasted expenditures for education, costs of dependency and delinquency, and direct public expenditures for medical care. Industry pays its share of the price in terms of absenteeism and lowered efficiency of persons who are on the job but working at less than their potential capacity.

The Social Security Board continues to be of the opinion which it has expressed on earlier occasions that lack of social insurance to meet the economic risks of sickness and disability is the most serious gap in organized provisions for social security in the United States. These risks have two major aspects—the loss of earnings by workers who are sick or become permanently disabled, and the barrier of cost which deters or prevents families at nearly all income levels from obtaining needed medical care. Cash disability benefits to offset wage loss are discussed in this section; ways to enable families to pay for medical care, in the pages following.

### Volume of Disability

On an average day, at least 7 million persons in the United States are so disabled by sickness or injury that they cannot go about their ordinary business—school, work at home or on the job, or whatever it would normally be. Nearly half of these would be in paid jobs, or looking for such jobs, except for their incapacity. The other half includes children, students, housewives, old people, and others who are not in the labor force.

Of the 7 million disabled on the average day, about half have been incapacitated for less than 6 months; the remainder, for 6 months or more. For social insurance purposes, total disability is ordinarily rated as "permanent" when it has continued for more than 6 months; shorter periods are considered temporary. On an average day, the whole group of persons incapacitated from following their normal pursuits is about the size of the entire population of New York City; those who have been disabled for 6 months or more are a group

about as large as the population of Chicago. Over the course of a year, about one in every three or four wage earners in the United States is incapacitated by temporary sickness or disability; in years of epidemics the rate is even higher. As Selective Service examinations and many special surveys have shown, additional millions of persons who are up and about are suffering from physical and mental conditions which limit their ability to do their full share at home, at work, and in the life of their community and the Nation.

### Wage Loss From Disability

Disability usually throws a double burden on family resources. Apart from the unexpected and largely uncontrollable expenses which sickness brings, disability of the breadwinner almost always cuts down or stops family income. Loss of earnings from temporary and permanent disability runs to some \$3-4 billion in ordinary years in the United States; loss of working time, to perhaps some 1.5-3.3 million man-years. In its effect on family security, permanent disability is like old age, except that it involves additional medical costs and often comes unexpectedly, at a time when a worker's family responsibilities are greatest and when he has had little opportunity to accumulate savings. Loss of earnings during temporary disability is likely to cause greater hardship than losses during unemployment, because of the additional expenses which sickness commonly brings.

### Existing Insurance Provisions

Few American workers have or can get insurance against permanent loss of their capacity to earn, except for work-connected injuries or disease covered by workmen's compensation laws. These causes account for less than one-tenth (perhaps nearer one-twentieth) of all disabling illnesses among persons in the labor force. Our country stands almost alone among the great nations of the world in failing to protect the great majority of wage earners against incapacity of nonoccupational origin. Thirty-one countries have compulsory social insurance for wage earners against permanent disability; the United States is the only Nation which insures workers against old age without also insuring them against permanent or chronic disability. Thirty-two coun-

tries have insurance against wage loss in temporary disability, and the United States is one of only three which insure temporary loss of earnings from unemployment without also insuring the loss from temporary sickness.

Limited protection against total and permanent disability is made for workers covered by the Railroad Retirement Act, by retirement systems for Federal employees, and certain other public or private retirement plans. One State—Rhode Island—provides cash disability benefits during temporary sickness for industrial and commercial workers covered by the State unemployment compensation law. Veterans of the armed forces receive benefits during total temporary disability for a period following their discharge. They also receive benefits for total or partial permanent disability when disability is service-connected, and in certain circumstances have this protection against non-service-connected disability. Voluntary insurance against permanent disability is very expensive on an individual basis, since the persons most likely to buy it are those who have reason to believe themselves poor risks; most commercial insurance companies have ceased to write policies of this type. Commercial insurance against loss of earnings during temporary disability has been increasing in recent years but is unlikely to help those most in need of such protection. The costs of such insurance are high for the protection it offers, and relatively few workers can and will purchase it.

### *Averaging Wage Losses From Disability*

Costs of disability benefits represent a redistribution of existing financial burdens so that workers themselves, or workers and their employers, and government, can meet risks which now bear heavily on private and public resources. The vast total wage loss from disability in any given year falls on only a small minority of all workers' families, though all are subject to risk of loss. In a given year a relatively small group of families suffer the catastrophe of prolonged or permanent disabling illness, and their misfortunes cause heavy drains on public funds; a larger group suffer serious losses but are not reduced to dependency. Disability insurance, like life insurance or fire insurance,

is a way of distributing the losses of the relatively few over the many who are subject to the risk, and of spreading the cost to the individual over a period of time. It thus reduces the individual's share to an amount he can carry, while giving every individual the desired protection.

The field organization, wage records, administrative experience, and other characteristics of the Federal old-age and survivors insurance system provide a ready framework for administering benefits for permanent total disability. Cash benefits would be provided for the wage earner whose permanent disability forces him to retire prematurely, and for his dependents, just as benefits are already being paid to retired wage earners who have reached the age of 65. The cost of permanent disability benefits would be relatively small at the beginning, as under all long-term insurance programs, and would rise as additional beneficiaries were added to the rolls. Costs would vary according to the scale of benefits established and other benefit conditions; with reasonably adequate provisions, the cost might be expected to level out at about 1 or 2 percent of covered pay rolls after provisions had been in effect for 15 or 20 years. Much of this cost would represent a transfer to contributory financing of costs now met from public funds in the form of relief or institutional care.

Substantial provision against wage loss from temporary disability and the early period of a disability which might later prove permanent could be made by setting aside an amount equivalent to about 1 percent of covered pay rolls. Obviously, provisions for the two types of benefits should be coordinated if there are separate systems for temporary and for permanent disability insurance. Coordination is essential to prevent overlapping or gaps for workers whose incapacity continues, and to ensure that benefit amounts will represent an appropriate proportion of wage loss during the initial weeks or months of disability and a somewhat lower proportion over prolonged periods, when the family presumably can make some adjustment to the loss of earnings. As against separate systems, however, there would be many obvious advantages in unifying administration of both types of disability benefits, and such a plan deserves careful consideration.

The Social Security Board believes that social insurance against permanent and temporary disability is needed in the United States and is feasible at this time from the standpoint of both administration and costs. The economic impact of permanent disability is so severe for the families concerned and so costly to the public that the Board believes it important to establish permanent disability insurance if provision of both types of disability benefits cannot be undertaken immediately.

### *Medical Care Insurance*

Health among a people depends on many factors other than medical care—among them, the amount and distribution of national income, the level of education and of sanitary safeguards, and climate and other environmental factors. Because the United States is the richest of the nations and is known throughout the world for its natural advantages and its progress in education, sanitary controls, and scientific achievement, it is often declared that Americans, as a people, stand first in health. It is argued that our present arrangements for making medical services available to individuals are fully justified by our health record.

### *Security of Life*

Available statistics do not bear out the claim that the United States is the healthiest nation. Probably the best single basis for international comparison is the death rate among babies in their first year of life. In the years preceding the war in Europe, according to statistics of the League of Nations, 7 countries had lower infant mortality rates than the United States. From 7 to 11 countries—the number differing for various age groups—had lower death rates among children and adolescents, and 20 or more countries had lower rates among persons aged 35-64.<sup>1</sup> Death rates among the Negro population in the United States are typically higher than those of white persons. Even if international comparison is restricted to the white population, however, our death rate is by no means the lowest. In the ex-

<sup>1</sup> From tables in *Statistical Year Book of the League of Nations, 1941/42*, pp. 40-41, 62-67; and *League of Nations, Annual Epidemiological Report for the Year 1938*, pp. 65-67.



pectation of life for white boys at birth, the United States ranked fifth among the pre-war nations; for white men at age 20, it ranked ninth; at age 40, twelfth; and at age 60, thirteenth.

Despite past progress in preventing sickness and prolonging life, the United States has not yet achieved for all its people—and in particular for those in the working ages—the level of security of life which has been attained in some other nations with much smaller economic resources.

### *Progress in Public Health*

Much of the spectacular progress in lowering the general death rate in this country has been in preventing deaths from the communicable diseases of childhood and from typhoid fever, tuberculosis, and pneumonia and influenza. Between 1900 and 1940 typhoid fever and diphtheria were all but wiped out, and death rates for other communicable diseases in this group were cut down by from 60 to 90 percent. For all other causes of death taken together, the decline was only 16 percent. The decline in the general death rate in recent decades has been due chiefly to the decline in certain infectious diseases which have been controlled largely through public measures for sanitation and various other activities of public health departments.

This progress is still spotty. If all States had had as low an infant mortality rate as one State had in 1942, some 35,000 babies could have been saved. If, in 1941, all States had had the tuberculosis rate of the lowest State, some 42,000 deaths could have been prevented, mostly deaths of men and women in the productive ages. This was about the number of the Nation's war fatalities at the end of nearly 2½ years of fighting.

It is not an accident that deaths which could have been prevented through accepted public health measures and sanitary controls are relatively the most numerous in States which lack adequate facilities for controlling such diseases and spend inadequate amounts for public health. Hundreds of thousands of lives could be saved each year, and additional hundreds of thousands of families saved needless suffering and expense, if the time-tested public health measures now actually in effect in some

parts of the country were in full use everywhere.

### *Present Burdens of Sickness*

A much larger part of the existing burden of ill health, disability, and postponable death now comes from illnesses which cannot be prevented or controlled by methods which automatically protect the whole community. Full use of the resources of modern medicine to reduce suffering, prevent disability, and prolong vigor and life demands increasingly the services which doctors must give patients individually, one by one. Such care also demands increasing use of necessarily costly facilities and techniques.

With progress in saving lives of babies and children, a growing proportion of the population lives to middle age and old age, when the most important causes of disability and death are diseases of the heart and arteries, cancer, and other chronic ailments. Most of these kill slowly, after a long period of illness and gradually increasing disability. Many of them attack in the years of life when responsibilities for family support are heavy. Disability insurance, as well as medical care insurance, would be of particular importance in encouraging workers to seek medical advice at an early stage, when adequate care might prolong their usefulness and their lives. They would know that, if the diagnosis was what they feared, some support would be at hand for them and their families. Most people will not go to doctors until they have to if they know that loss of earnings will mean catastrophe to the family or fear that they will not be able to pay for the care they need.

General morbidity rates and death rates are averages, made up of the experience of groups who have been able to benefit from all advances in scientific knowledge and skill, and of those who have had scant share in this progress. Sickness comes oftener and lasts longer, and death comes earlier, in the homes of the poor than of the well-to-do.

### *Reasons for Lack of Care*

To some extent, the inadequacy of the medical care received by the American people as a whole is due to the fact that some places, especially rural areas, lack adequate medical and hospital facilities. These are

areas where average income is low. Present resources for medical care are unevenly distributed, because hospitals tend to cluster in cities where large numbers of persons seek their services and financial resources are ample, and doctors also locate in cities and towns where they find hospitals and laboratories and a better chance to earn a living. Even when medical facilities are ample, however, a considerable part of the capacity of hospitals and the time of skilled practitioners goes unused in ordinary years, though in the same places there are sick people badly in need of services. Ignorance and inertia have some part in the failure of people to get medical services they need, especially early in illness when services are most valuable. By far the most important reason, however, for the lack of needed care and for the volume of "charity" required of doctors, hospitals, and the public is the present method of paying for medical care—when sickness is at hand and family income is likely to have been cut down or stopped.

### *Methods of Paying Medical Costs*

In an ordinary year the American people pay about \$4 billion for all civilian health and medical services, including costs of hospital construction. Of this total, about four-fifths comes from private funds and one-fifth from public funds. The total expenditure, governmental and private, for all health and medical services is equivalent to about \$30 a person a year. But in any year some families pay little or nothing to doctors and hospitals, while others pay hundreds or even thousands of dollars. The difficulty with medical costs is that no family can know how much or how costly medical care they will need or can limit their needs for care to what they can afford. If costs could be averaged for the types of medical services which are ordinarily bought individually, most self-supporting families could pay for adequate medical care without hardship.

**Tax-supported care.**—For certain major forms of medical care or care of certain groups in the population, much or all of the cost has been "averaged" through payment from the tax funds to which the whole community contributes, not merely the sick person or his family. In 1943, for example, 97 percent of all beds in hospitals for mental and nervous dis-

eases were in publicly owned and operated hospitals, and 85 percent of all beds for tuberculous patients were in tax-supported hospitals. These types of long-continued care obviously are too costly for any but the richest families to bear individually. These diseases, moreover, have long been recognized as endangering public health and safety and leading to public costs for broken and dependent families.

The Federal Government, again for obvious reasons, has always been responsible for medical care of the armed forces. In addition to care of service-connected injuries and illnesses, moreover, by the end of the war some 16 million veterans will be able to receive publicly supported medical care for non-service-connected conditions through veterans' facilities.

From colonial times, care of the sick poor has been considered a public responsibility, though often provided very inadequately if at all. It is estimated that total public expenditures for medical care of the indigent and low income groups—including expenditures of the Federal Government, the States, and their localities—are at least \$150 million a year.

Most of the care given under the arrangements outlined above is "state medicine" in the sense that it is financed from public funds, is given through publicly owned facilities, and is given for the most part by physicians or others paid directly by government agencies. It represents not only a method of financing costs but also a way of organizing medical and institutional practice. Since "state medicine" has ordinarily been used as a term of opprobrium, it should be pointed out that some of these areas of medical service, notably care of mental illness and prevention and care of tuberculosis and other communicable diseases, are those in which progress has been outstanding and for which the United States is known favorably throughout the world.

**Insurance methods.**—Another group of arrangements has been developed in the United States through which costs of medical care are distributed among employers or the individuals directly concerned, or both, without recourse to tax funds.

Costs of medical care for work-connected injuries, and in some States also of occupational disease, are in-

sured under State or Federal workmen's compensation laws; only one State lacks such legislation. These laws make costs of industrial accident and disease a part of the cost of production.

In recent years a large number of middle-class families have been able to average some of their medical costs through membership in voluntary prepayment plans. The membership of Blue Cross plans, which cover certain hospital bills, includes about 15 million persons, or about 11 percent of the population. Voluntary prepayment plans for medical care, established by industry, medical societies, and community and other groups, probably cover about 4 or 5 million persons, about half of whom are counted in the number covered by Blue Cross plans. These families pay a regular fixed amount each month and know that, within limits fixed by the contract, their hospital or other medical bills will be paid if they become sick. Contracts are commonly restricted to surgical expenses or fix extra fees for some services. In addition, commercial insurance companies sell policies—usually to indemnify hospital or surgical expenses or both—on an individual and group basis. The scope of the protection is always limited and often is restricted to care of accidental injuries. All in all, possibly from 30 to 35 million persons have some protection against hospital and medical costs under the Blue Cross and other voluntary prepayment plans and commercial insurance. Comprehensive protection against medical and hospital costs is limited to a few million.

Workmen's compensation and the other arrangements mentioned above are forms of insurance. They are ways of distributing and paying costs, not forms of medical practice. In one way and another, they help to cut through the barrier of costs by distributing medical care expenses over the whole group of insured persons, the well and the sick, and by distributing the costs over periods of time—the years of earning as well as the weeks or months of sickness. In the usual voluntary prepayment plan, a patient picks his doctor or hospital from all participating in the plan; doctors and hospitals decide whether or not they wish to join such plans. These plans cause no change in the personal relationship between a doc-

tor and his patient, except to wipe out misgivings of both about the bill and to lessen the other important failing in that relationship—that so many people have no relationship with any doctor.

All the voluntary forms of medical care insurance mentioned above are fulfilling valuable functions in their limited sphere. They are necessarily more costly than the arrangements which could be evolved with wider sharing of sickness risks and with the administrative economies feasible for larger units. Their great shortcoming is that they reach so small a part of the population and fail to reach those who have the greatest need of medical care insurance. From the standpoint of both the public and the families concerned, the great majority of the population must have some better way to pay medical costs if American families are to achieve the level of health and economic independence which our national resources should assure.

**Compulsory social insurance.**—Neither the course of present developments in this country nor experience in other countries which have tried voluntary health insurance gives any indication that comprehensive and adequate arrangements to insure medical costs can be made in any way except through a compulsory insurance system. In this aspect of health security the United States faces a situation not unlike that in old-age security a decade ago. At that time, many employers had established sound retirement systems for their workers; some persons had banded together to provide for themselves as a group or had made adequate individual provisions through annuities or other forms of commercial insurance. It was clear then, however, as it is clear now for medical care insurance, that these voluntary arrangements could not be expected to extend to even a majority of the population in need of insurance or to the groups whose needs were greatest.

Medical care insurance would enable self-supporting families to pay for and get needed medical services without any important alteration because of the insurance system in present forms or organization of medical practice. Moreover, families dependent on public funds could be covered through payment of contributions on their behalf by the agencies admin-



istering assistance. They thus would receive care in the same way in which others receive it; the stigma and, typically, the inadequacy of "poor-law medicine" could be wiped out.

Contributions equivalent to about 3 percent of annual earnings would pay for adequate basic medical and hospital services for both workers and their dependents. A more comprehensive system would cost the equivalent of about 4 percent. These costs would be no more than now is spent by families on the average. They are less than the average expenditure by families in the low income groups, since, contrary to the general impression, low-income families spend, on the average, a larger proportion of their incomes for medical care than families in better circumstances, though—because of their more frequent and severe illness—they receive much less in relation to what they need.

Public discussion has centered around three alternative methods of providing medical care insurance. It

has been suggested that it could be established on a State-by-State basis, without participation by the Federal Government. It could follow the pattern of unemployment compensation, in which Federal legislation gave inducement to States to enact laws and establish insurance systems. Or, following the analogy of old-age and survivors insurance, it could be established as a Federal system.

For reasons outlined in the following section of this report, the Board believes that it would be simplest, most economical, and most effective to establish comprehensive protection through Federal legislation, while providing authority to utilize State agencies and other facilities. In any event, administration of benefits should be so decentralized that all necessary arrangements with doctors, hospitals, and others would be worked out on a local basis. The general pattern of arrangements with hospitals and doctors should be developed with the collaboration of professional organizations and with careful regard for re-

gional, State, and local circumstances. In each area of administration—local, State, and Federal—policies and operations should also be guided by advisory bodies representing those who pay the insurance contributions and those who provide the services.

The much-advertised fears of "socialized medicine," "regimentation" of doctors, hospitals, or patients, loss of the patient's freedom to choose his doctor, and deterioration of quality of care can be made wholly groundless. A system of medical care insurance can and should be so designed as to avoid these disadvantages. By making services readily available to those who need them, without fear of the costs, the quality and effectiveness of service may be improved, and the incomes of doctors and hospitals may be made better and more secure. If, at the same time, professional education, research, and the construction of needed facilities are financially aided, progress in medicine and improvement in national health can be greatly accelerated.

## Why Beneficiaries Retire

By Edna C. Wentworth\*

ONLY ABOUT 5 PERCENT of 2,380 men receiving old-age benefits, who were visited in 1941-42 by representatives of the Bureau of Old-Age and Survivors Insurance, said they retired and filed for benefits because they wished to do so and while they were in good health. More than half of the men, on the other hand, reported that they were laid off by their employers, and about a third stated that they had quit working because of illness or failing health.

These 2,380 men were part of a group of beneficiary families in 7 cities who were surveyed by the Bureau between May 1941 and July 1942 in a study to determine the extent to which the insurance benefits provide basic protection against want. The survey covered 750 beneficiary families in Philadelphia and Baltimore combined, 804 in St. Louis, 828 in the Southern cities of Birmingham, Memphis, and Atlanta combined, and 1,147 in Los Angeles. Earlier articles have discussed information obtained in

these surveys from the primary beneficiaries and widows with entitled children concerning their income, the assets they possessed, their living arrangements, and the family composition of the household.<sup>1</sup>

This article deals specifically with the replies of the male primary beneficiaries to the question, "Why did you quit working in covered employment before you filed for benefits?" It should be borne in mind that this discussion relates to a relatively small group of insurance beneficiaries and to the situation found in a specific period of time. Application of the conclusions to all primary beneficiaries must be made with caution, and it must be remembered that the

answers to this question were made with reference to employment conditions in 1938-40.

### Months Elapsing Between Covered Employment and Entitlement

Nearly one-half to two-thirds of the men in the four surveys<sup>2</sup> reported that they had worked up to the time of entitlement or to within a month of it (table 1), although the data do not indicate how steady this employment had been during the years prior to entitlement. At the opposite extreme, the relative number of beneficiaries who terminated their covered employment 13 to 25 months before they became entitled to benefits ranged from 6 to 13 percent among the four surveys.

The wide range in the number of months was attributable in part to the 1939 amendments to the Social Security Act under which any person who had already reached age 65 or would attain age 65 during the first half of 1940 would need only 6 quarters of coverage to acquire insured status.

<sup>2</sup> Data from the Philadelphia and Baltimore surveys were combined—as were those for Atlanta, Birmingham, and Memphis—to give samples allowing more significant analyses.

\*Bureau of Old-Age and Survivors Insurance, Analysis Division.

<sup>1</sup> Wentworth, Edna C., "Economic and Social Status of Beneficiaries of Old-Age and Survivors Insurance," *Social Security Bulletin*, Vol. 6, No. 7 (July 1943), pp. 3-20; and Malitsky, Marie C., "Resources of Old-Age and Survivors Insurance Beneficiaries in Three Southern Cities," Vol. 6, No. 9 (September 1943), pp. 3-17. These articles should be consulted for discussion of the purpose of the surveys, methods of selecting the sample, definitions, concepts, and general analyses.

Men 65 and 66 years of age at entitlement could have obtained their sixth quarter of coverage by the middle of 1938 and therefore could have been out of employment 2 years between their last job in covered employment and their entitlement in 1940. However, wages earned in the period between the quarter in which a worker attained age 65 and January 1939 were not taxed or included in the computation of quarters of coverage. Therefore beneficiaries who were aged 67 or 68 at entitlement could not have obtained their sixth quarter of coverage until some time in 1939 at the earliest, and so could have had less unemployment preceding entitlement than those 65 or 66 years of age, while those 69 years or over required almost continuous employment after January 1939 in order to obtain their 6 quarters of coverage.

Since all the primary beneficiaries visited in 1941-42 became entitled in 1940, a marked difference in the number of months elapsing between the last covered employment prior to entitlement and entitlement is found

between the age groups. In St. Louis, Los Angeles, Birmingham, Memphis, and Atlanta, 8-15 percent of the men 65 or 66 years of age at entitlement reported from 13 to 25 months elapsing between the termination of their last covered employment and entitlement. In Philadelphia and Baltimore the proportion was higher, 19-20 percent. Of those 67 or 68 years at entitlement, on the other hand, only 1 percent in the three Southern cities and from 5 to 8 percent in the other three surveys reported more than 6 months. The men 69 years or over at entitlement were out of covered employment for even a shorter period of time, not more than 3 months elapsing between covered employment and entitlement for those in Philadelphia and Baltimore and the Southern cities. In St. Louis, 2 percent reported 4 to 6 months, and in Los Angeles, 7 percent reported 4 to 9 months.

Since beneficiaries 69 years or over at entitlement had stayed in the labor market longer and had had less unemployment preceding entitlement than the younger beneficiaries, their

average monthly wages were generally higher. Therefore, the men 69 years or over at entitlement had, on the average, higher primary benefits than the men 65-68 years of age. If they were married, their wives were generally entitled to wife's benefits. Moreover, their permanent income was usually higher, and their longer period of employment often resulted in larger assets than in the case of the younger beneficiaries.

### Reasons Given for Retiring

The replies to the question "Why did you quit working before you filed for benefits?" appeared to be candid, although sometimes tinged with bitterness. It might have been assumed that a proud person would not admit that he had been laid off by his employer, or that a man who rebelled against the disabling effects of advancing years would not report that ill health had forced him to quit working. Undoubtedly, the reasons reported by the beneficiaries for terminating their covered employment before entitlement include such biases, but the consistency between these replies and answers to other questions indicates such biases to be relatively insignificant.

In general, the various reasons given by the beneficiaries for leaving their last covered employment before they filed for benefits fell into two main groups, depending on whether the termination was voluntary or involuntary. Voluntary reasons, which include all instances in which the decision to quit was made by the beneficiary even though he may have resented the conditions which made it necessary, are divided into two categories, "health" and "other personal reasons." Involuntary reasons include all cases in which the worker was notified by his employer that his services were to be terminated.

From 40 to 47 percent of the male primary beneficiaries reported voluntarily retiring from work and filing for benefits (table 2). Approximately one-third reported reasons which were classified as "health." Health reasons include reports of chronic illnesses, such as heart disease, arthritis, and falling vision, and acute illnesses, such as pneumonia and cancer. They also include such reasons as "old age," if the beneficiary quit his job of his own accord, "needed a rest," "felt tired," or "considered the work to hard." As

Table 1.—Percentage of male primary beneficiaries reporting specified number of months elapsing between termination of covered employment prior to entitlement and entitlement, by age at entitlement, four surveys

Age at entitlement (years)	Average number of months	Total number of persons	Percentage distribution by specified number of months							
			Total	Less than 1	1-3	4-6	7-9	10-12	13-18	19-25
Philadelphia and Baltimore										
Total .....	4.2	508	100.0	48.4	18.2	9.6	6.5	3.9	10.6	2.8
65.....	5.8	282	100.0	33.7	19.5	12.8	8.5	6.4	15.2	3.9
66.....	5.8	69	100.0	24.6	33.4	11.6	7.2	2.9	16.0	4.3
67-68.....	1.3	53	100.0	69.8	13.3	9.4	7.5			
69 and over.....	.1	104	100.0	93.3	6.7					
St. Louis										
Total .....	2.4	550	100.0	64.0	15.1	6.5	5.1	3.1	3.6	2.6
65.....	5.2	170	100.0	41.8	13.5	11.2	10.6	7.6	8.8	6.5
66.....	3.1	99	100.0	50.5	21.2	11.1	6.1	3.0	5.1	3.0
67-68.....	1.0	88	100.0	73.9	18.2	2.3	4.5	1.1		
69 and over.....	.3	193	100.0	86.0	11.9	2.1				
Birmingham, Memphis, and Atlanta										
Total .....	2.4	564	100.0	66.4	12.9	5.9	4.3	3.4	4.8	2.3
65.....	4.5	185	100.0	47.0	15.2	7.6	9.2	8.1	8.6	4.3
66.....	4.1	108	100.0	50.9	14.8	10.2	5.6	3.7	10.2	4.6
67-68.....	1.0	125	100.0	80.0	12.8	6.4	.8			
69 and over.....	.1	146	100.0	91.1	8.9					
Los Angeles										
Total .....	3.3	758	100.0	50.8	19.0	10.6	7.3	4.2	5.0	3.1
65.....	4.8	331	100.0	40.2	16.6	12.7	10.9	6.6	7.9	5.1
66.....	4.3	148	100.0	37.7	23.6	12.2	8.8	6.8	6.8	4.1
67-68.....	1.6	114	100.0	62.3	21.9	10.5	2.6		1.8	.9
69 and over.....	.6	165	100.0	75.8	17.6	4.8	1.8			

might be expected, the proportion reporting health reasons increased with age at entitlement, although the increase was not great; 38-44 percent of the men 69 years of age or over reported ill health, in contrast to 26-34 percent of the men aged 65 and 66. A few of the men who quit because of their health later recovered and returned to their old jobs; others got part-time jobs or earned small amounts at casual labor; but the great majority of this group appeared to be permanently out of the labor market. Because failing health was also a factor in terminations initiated by the employer, the one-third whose replies were classified as "health" is somewhat of an understatement of the proportion of beneficiaries who were forced to leave their full-time, customary jobs because of ill health.

From 4 to 13 percent of the beneficiaries reported various other personal reasons for quitting. Of the 249 men in this category in the 7 cities, al-

most half (113) quit work in order to retire and enjoy their leisure. Of the remaining 136 men, 49 quit because of dissatisfaction with the nature of their jobs or their remuneration, and 23 because they disliked their bosses; 3 filed for benefits when they went on a strike; 14 resigned in order to care for their wives who were ill, and 8 in order to move to another city. Thirty-nine men continued to work, 12 on the same job but on a part-time basis with earnings of less than \$15 a month, and 27 in noncovered employment.

More than half (53-60 percent) of the beneficiaries reported involuntary loss of job. Their replies included such statements as, "I was laid off because of my age," or "My employer thought me too old," or "I reached the retirement age of the company and was laid off." In some cases the worker's failing health was undoubtedly responsible for the employer's decision to lay him off; in other cases a rigid retirement policy of the com-

pany forced the retirement of physically able persons. Most of the beneficiaries left their covered employment in 1940, although at least 10 percent found themselves out of work earlier. In 1940 a substantial proportion of the labor force was still unemployed, and the practice, prevalent during the depression years, of retiring aged workers in order to make jobs available for younger persons still persisted. In a few instances, beneficiaries found themselves out of work because the firm had gone out of business or because, in a reorganization, the new employer did not retain the aged workers. Occasionally, a technological change had made it unprofitable to employ aged persons. A few of the beneficiaries (8-17 percent in the four surveys)<sup>3</sup> were retired with retirement pay, but the large majority were simply laid off. Some of these men were later called back to their old jobs under pressure of war contracts and a diminishing labor force. Others got jobs requiring less skill or physical exertion than their former work had demanded.

Two hundred and four men (6-13 percent in the four surveys) had terminated their covered employment more than a year before they became entitled to benefits. It might have been assumed that ill health had forced most of these men out of the labor market. This was not the case, however; when the comparison was made by age at entitlement, no difference was found in the proportion reporting "health" as a reason for retirement between those quitting work more than a year before entitlement and those who worked up to the time of filing for benefits.

The fact that only 3-6 percent of the beneficiaries retired voluntarily in order to enjoy leisure is significant in evaluating the part old-age insurance benefits have played in influencing aged workers to leave the labor market. Hence, a more detailed examination of the 113 men in the 4 surveys who retired in the usual sense of the word is of value.

Only two-thirds of the 113 men were retired in the survey year, for one-third (38) had gone back to work during the year—1 to 2½ years after entitlement. It is interesting to note that a large percentage of the 113 men

<sup>3</sup> Some of the beneficiaries (3-10 percent) who quit their jobs voluntarily also received retirement pay.

Table 2.—Percentage distribution of beneficiaries by reasons for termination of covered employment prior to entitlement, by age at entitlement, four surveys

Age at entitlement (years)	Total number	Percentage distribution by specified reason						
		Total	Quit job			Lost job		
			Total	Health	Other personal reasons	Total	Retired by com- pany <sup>1</sup>	Other company reasons
Philadelphia and Baltimore								
Total.....	508	100.0	39.8	35.5	4.3	60.2	16.7	43.5
65.....	282	100.0	38.3	34.0	4.3	61.7	17.4	44.3
66.....	69	100.0	34.8	31.9	2.9	65.2	2.9	62.3
67-68.....	53	100.0	37.7	32.0	5.7	62.3	11.3	51.0
69 and over.....	104	100.0	48.1	43.3	4.8	51.9	26.9	25.0
St. Louis								
Total.....	550	100.0	46.4	35.9	10.5	53.6	9.1	44.5
65.....	170	100.0	41.2	28.8	12.4	58.8	5.9	52.9
66.....	99	100.0	44.4	31.3	13.1	55.6	3.0	52.6
67-68.....	88	100.0	52.3	42.0	10.3	47.7	5.7	42.0
69 and over.....	193	100.0	49.2	41.4	7.8	50.8	16.6	34.2
Birmingham, Memphis, and Atlanta								
Total.....	564	100.0	46.6	34.2	12.4	53.4	7.8	45.6
65.....	185	100.0	45.4	32.4	13.0	54.6	8.6	46.0
66.....	108	100.0	46.3	30.6	15.7	53.7	9.3	44.4
67-68.....	125	100.0	40.8	28.8	12.0	59.2	7.2	52.0
69 and over.....	146	100.0	53.4	43.8	9.6	46.6	6.2	40.4
Los Angeles								
Total.....	758	100.0	44.1	31.0	13.1	55.9	8.4	47.5
65.....	331	100.0	39.6	26.3	13.3	60.4	11.8	48.6
66.....	148	100.0	39.2	29.1	10.1	60.8	6.1	54.7
67-68.....	114	100.0	57.0	37.7	19.3	43.0	3.5	39.5
69 and over.....	165	100.0	48.5	37.6	10.9	51.5	7.3	44.2

<sup>1</sup> Retired with retirement pay. From 3 to 10 percent of the beneficiaries who voluntarily quit their jobs also received retirement pay.



retired and filed for benefits when the income they could count upon was very low. For example, 48 of the 113 men quit working when the anticipated income of the beneficiary group<sup>4</sup> was less than \$600, but 25 of these 48 men had gone back to work in the survey year in order to increase their incomes.

A few men whose anticipated income was low said they had retired of their own accord in order to avoid the inevitable notice that they had reached the company's retirement age and would be laid off. A few men in Los Angeles retired from work at age 65 because of California's liberal old-age assistance program. The interviewer commented in one case:

Mr. S worked as a dishwasher, but his work was not steady and he felt he would be better off receiving old-age assistance and old-age insurance benefits, so he quit his job. Mr. S believes he could do light work, but he has not tried to get any; he estimates a job would have to pay him \$75 a month before it would be worth his while to take it and have his benefits and old-age assistance payments suspended. His income in the survey year was \$478.

Mr. L is an example of a beneficiary whose income, though low, met his needs:

Mr. L, a Negro coal loader, quit work at age 65 because he was entitled to a monthly benefit of \$23.88. He lived alone in a shack for which he paid \$6 a month. With the \$12 he had earned at odd jobs during the year he seemed to get along.

Some men who quit their employment and filed for benefits under the impression that their income would be sufficient to meet their expenses found within a short time that it was too little. The following reports are illustrative:

Mr. J had originally filed a claim for old-age insurance benefits thinking he would receive a higher benefit than the \$21.16 to which he became entitled. Since he could not live on this small amount, he had returned to his former job, but on a part-time basis. The income of Mr. J and his wife in the survey year was \$1,657, of which \$1,197 came from his job, \$80 from unemployment compensation, and \$200 from gifts from a brother outside the family. His benefits had been sus-

pended during the entire year because of his earnings in covered employment.

Mr. P was a plane operator in the lumber industry. He quit working at age 65 and filed for his benefits of \$13.46. Since Mr. and Mrs. P owned their home and raised garden produce and chickens, Mr. P had thought their benefits would meet their needs. The amount proved to be inadequate, however, so Mr. P returned to the lumber yard on a part-time basis, earning \$14.50 a month (not sufficient to cause his benefits to be suspended).

Mr. B retired as an examiner in a coal mine at the age of 65, and he and Mrs. B moved to Los Angeles. There they invested \$1,500, practically their entire fortune, in a \$6,200 house. They rented two rooms, using the income from roomers to meet payments on the mortgage. Mr. B said that those payments and the operating expenses usually took all the income from roomers and about half the benefit check of \$31.01. Whenever an emergency arose, the payments on the mortgage were defaulted.

More than half (65) of the 113 men who retired voluntarily had permanent sources of income, including insurance benefits of \$600 or more a year. However, 13 of the 65 reported earnings from employment in the survey year. In a few cases, the earnings resulted from past business connections and involved one or two transactions in the survey year. For example:

Mr. R retired in 1938 as a store manager but later returned to work in order to qualify for old-age insurance benefits. During the survey year he received \$1,000 as a commission from a business associate to whom he recommended a business opportunity. His income in the survey year was \$2,584, \$490 derived from insurance benefits, \$1,094 from income from assets, and \$1,000 from his business activity. His assets were valued at \$18,320 at the end of the year. In addition Mr. R carried a \$10,000 life insurance policy.

Mr. N received \$200 in the year re-

sulting from the renewal of insurance policies he had formerly handled. His income from insurance benefits, retirement pay, and assets was \$1,673. He declared he was unable to hold a job because of poor health.

A few of the 65 beneficiaries accepted part-time jobs, sometimes to accommodate a former employer, often to increase their income.

Mr. S, for example, retired from his position as a clothing salesman at the age of 67 and filed for benefits of \$19.81 in January 1940. Shortly thereafter, his former employer asked him to work on Saturdays and help relieve their labor shortage. Mr. S lived alone in a hotel room for which he paid \$60 a month. His income for the year was \$901, of which \$238 came from the insurance benefit, \$172 from earnings, and \$491 from income from assets. He withdrew \$800 of his savings to meet his living expenses, but at the end of the survey year his assets totaled \$6,726.

Occasionally a resourceful person developed a business for himself, partly to increase his income but also partly to occupy his spare time. For example:

Mr. P retired at age 65 from his job as salesman for an oil company. He found time hanging heavy and became interested in buying used automobiles, reconditioning and reselling them. His net income from this enterprise was \$653. In addition, \$1,221 was received as retirement pay, \$1,063 income from assets, and \$429 from insurance benefits. The net value of Mr. and Mrs. P's assets was \$12,662, exclusive of life insurance policies with face values totaling \$8,000.

Many of the beneficiaries with high income from permanent sources had no wish to return to work at any wage. Mr. K is an example of a beneficiary with adequate resources who retired because he "just wanted to," and he was enjoying his life of leisure. The cash income of Mr. and Mrs. K was \$1,511, \$480 derived from a union pension, \$389 from assets, and \$642 from

Table 3.—Percentage distribution of white and Negro beneficiaries by reasons for termination of covered employment prior to entitlement, Birmingham, Memphis, and Atlanta

Race	Total number	Percentage distribution by specified reason					
		Total	Quit job			Lost job	
			Total	Health	Other personal reasons	Total	Retired by company <sup>1</sup>
Total.....	564	100.0	46.6	34.2	12.4	53.4	7.8
White.....	374	100.0	51.3	36.6	14.7	48.7	9.1
Negro.....	190	100.0	37.4	29.5	7.9	62.6	5.3
							39.6
							37.3

<sup>1</sup> Retired with retirement pay. Some beneficiaries who voluntarily quit their jobs also received retirement pay.

<sup>4</sup> Includes income from assets, retirement pay, private annuities and union retirement pay, veterans' pension, 12 months' insurance benefit, and imputed rent of owner-occupied home. The beneficiary group includes the primary beneficiary, his wife, and unmarried children under 18 living at home.

Table 4.—Percentage distribution of white and Negro beneficiaries by age at entitlement, Birmingham, Memphis, and Atlanta

Age at entitlement (years)	Percentage distribution		
	Total	White	Negro
Total number.....	564	374	190
Total percent.....	100.0	100.0	100.0
65.....	32.8	34.5	29.5
66.....	19.1	16.0	25.3
67-68.....	22.2	21.7	23.2
69 and over.....	25.9	27.8	22.1

insurance benefits. They lived in their home, which they owned clear. Their total assets amounted to \$21,375.

#### Negro and White Workers

A comparison of reasons for termination between Negro and white male primary beneficiaries is possible only for Birmingham, Memphis, and Atlanta, where 190 Negro and 374 white men were included in the survey. In these 3 cities a higher proportion (63 percent) of Negro primary beneficiaries than of the white men (49 percent) were laid off by their employers, and a smaller proportion of the Negroes reported ill health—30 as against 37 percent (table 3).

The difference in reasons for terminating covered employment may be partly explained by the age distribution of the two races, as proportionately more white than Negro men (28 as against 22 percent) were 69 years of age or over at entitlement. This fact would account somewhat for the more frequent report of ill health by the white men (table 4).

#### Probable Reasons for Retirement in 1943 or 1944

If men entitled to benefits in 1943 or 1944 had been asked why they stopped work and filed for benefits, it is probable that a smaller proportion would have reported, "Laid off by my employer because of my age," and a much larger proportion would have given "poor health" as the immediate cause. This conclusion is borne out by the fact that each year since 1940 an increasing proportion of workers who meet the requirements of eligibility for monthly benefits remained at work instead of filing for benefits, as is shown in table 5.

#### Reemployment

Neither ill health nor lay-offs kept some of the men out of the labor market permanently. From 17 to 34 percent of the male primary beneficiaries in the four surveys who terminated

Table 5.—Workers 65 years of age and over who could have become entitled to monthly benefits during year, 1940-43<sup>1</sup>

Year	Workers who could have become entitled during year		
	Total number	Workers not filing	
		Number	Percent
1940.....	570,000	427,000	74.9
1941.....	591,000	480,000	81.2
1942.....	643,000	544,000	84.6
1943.....	719,000	632,000	87.9

<sup>1</sup> Estimated by the Actuarial Section of the Bureau of Old-Age and Survivors Insurance on the basis of claims and employment data.

Table 6.—Percent of beneficiaries terminating their covered employment prior to entitlement for specified reasons who were employed during the survey year, four surveys

Survey	Percent beneficiaries reporting specified reason			
	Total	Health	Other personal reasons	Laid off by employer
Philadelphia and Baltimore.....	25.4	16.7	36.4	29.7
St. Louis.....	37.6	25.4	44.8	44.4
Birmingham, Memphis, and Atlanta.....	45.6	34.2	60.0	49.5
Los Angeles.....	38.1	29.4	42.4	42.0

their covered employment before entitlement because of their health reported earnings from employment in the survey year (table 6). As might be expected, a larger proportion of the men who reported other personal reasons (36-60 percent) or who were laid off (30-50 percent) returned to work in the year. About the same proportion of the beneficiaries who left work 13 or more months before their entitlement for these three reasons also returned to work during the survey year.

The extent to which beneficiaries returned to work during the year covered by the survey was affected by various factors, such as their age, ability to work, opportunities for reemployment, the economic resources of the beneficiary groups, and the beneficiaries' financial responsibilities and living arrangements. These points will be discussed in a subsequent article.



## Public Assistance

### Statistics for the United States

*Steady decline in case load of aid to dependent children halted.*—The number of families receiving aid to dependent children increased, though negligibly (0.1 percent), for the first time since the downward trend began in April 1942. This increase was smaller than any monthly decrease during the decline over 31 successive months. The opening of new cases of aid to dependent children to assist children whose requirements had previously been considered in making payments of old-age assistance or aid to the blind may explain the increased case load in some States. The small

increases in the 24 States that were responsible for the total increase ranged from 0.1 percent in Ohio, Virginia, and Wisconsin to 4.3 percent in the District of Columbia and 6.4 percent in Florida.

*Volume of payments for aid to dependent children rose more than the case load.*—The total increase over October payments was \$107,600 or 1.0 percent. Illinois, with an increase of \$87,700, accounted for more than four-fifths of the total increase. The maximum for the first child in this State was raised in August from \$18 to \$40; hence, the average payment has increased more than \$10 since July 1944. Total Illinois payments were 11 percent higher in November than in October. The next largest increases were in the District of Columbia and Flor-

ida—7.1 and 6.6 percent, respectively.

*Old-age assistance case load continued to decline.*—The number of recipients decreased in 27 States. The decrease for all States, however, was only 0.1 percent; the largest drop was 1.3 percent in Kentucky. The largest increase was 2.3 percent in Wyoming, where separate payments were given to some aged women who had been assisted through payments to their husbands.

*Total amount of old-age assistance was slightly higher.*—Total payments to recipients were 0.5 percent higher than in October, and increases occurred in 38 States. The largest was 4.5 percent in Oklahoma, where an upward revision of payments is in progress to provide the full amount of established need for all recipients.

*In aid to the blind, monthly changes were similar to those in old-age assistance.*—The very gradual decline in

Table 1.—Public assistance in the continental United States and in all States with plans approved by the Social Security Board, by month, November 1943–November 1944<sup>1</sup>

Year and month	Continental United States					States with approved plans					
	Total	Special types of public assistance			General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	
		Old-age assistance	Aid to dependent children					Aid to the blind			
			Families	Children					Families		Children
Number of recipients											
November 1943		2,151,542	275,505	682,547	75,762	292,000		2,154,466	273,689	678,916	59,463
December 1943		2,146,066	272,346	675,944	75,593	292,000		2,148,988	270,594	672,368	59,363
1944											
January		2,133,701	269,771	671,556	75,035	288,000		2,136,611	270,270	673,207	58,955
February		2,120,054	267,849	667,052	74,745	283,000		2,122,946	268,343	668,684	58,702
March		2,110,549	265,952	662,920	74,434	281,000		2,113,442	266,451	664,565	58,434
April		2,101,550	264,139	659,192	74,247	273,000		2,104,448	264,632	660,822	58,236
May		2,092,928	262,655	655,812	73,984	266,000		2,095,825	263,142	657,417	58,070
June		2,084,018	260,220	650,700	73,816	258,000		2,086,908	260,709	652,302	57,899
July		2,077,958	255,828	640,455	72,742	255,000		2,080,825	256,283	641,977	56,849
August		2,072,470	253,121	636,090	72,598	254,000		2,075,325	253,565	638,480	56,721
September		2,067,544	252,275	635,234	72,518	254,000		2,070,395	252,728	636,741	56,659
October		2,066,376	251,569	633,063	72,425	253,000		2,069,203	252,018	634,577	56,548
November		2,064,846	251,836	633,567	72,338	254,000		2,067,600	252,265	635,036	56,448
Amount of assistance											
November 1943											
November	\$78,203,656	\$56,881,691	\$11,308,070	\$2,105,895	\$7,908,000	\$69,875,830	\$56,954,094	\$11,290,169		\$1,631,567	
December	78,724,086	57,207,038	11,293,702	2,113,346	8,110,000	70,194,858	57,279,774	11,274,453		1,640,631	
1944											
January	78,443,603	57,226,850	11,237,946	2,103,807	7,875,000	70,203,332	57,299,846	11,266,900		1,636,596	
February	78,510,410	57,236,731	11,300,984	2,106,695	7,866,000	70,278,831	57,309,703	11,329,214		1,639,914	
March	78,564,348	57,231,425	11,312,457	2,105,466	7,915,000	70,286,167	57,304,625	11,340,734		1,640,808	
April	78,270,356	57,548,644	11,311,169	2,110,543	7,500,000	70,406,772	57,422,694	11,339,349		1,644,729	
May	78,103,683	57,598,136	11,238,081	2,121,466	7,346,000	70,396,447	57,472,466	11,265,333		1,638,148	
June	77,925,495	57,417,271	11,203,055	2,124,169	7,181,000	70,384,783	57,491,829	11,231,112		1,661,842	
July	77,749,410	57,575,446	11,116,371	2,101,593	6,956,000	70,432,685	57,649,732	11,143,299		1,639,654	
August	77,935,659	57,776,108	10,957,930	2,106,621	7,095,000	70,481,289	57,850,680	10,985,632		1,644,977	
September	77,968,970	57,816,332	11,047,689	2,107,949	6,997,000	70,617,983	57,893,807	11,076,119		1,648,057	
October	78,632,790	58,113,309	11,191,551	2,111,930	7,216,000	71,059,935	58,188,918	11,218,963		1,652,054	
November	79,107,279	58,425,999	11,299,402	2,116,878	7,265,000	71,484,297	58,501,364	11,326,462		1,656,471	

<sup>1</sup> Partly estimated and subject to revision. For monthly data January 1933–December 1941, see the *Bulletin*, February 1943, pp. 23–26; for 1942–43 data, see the *Bulletin*, February 1944, p. 27; for definitions of terms, see the September 1941 issue, pp. 50–51.

<sup>2</sup> Excludes estimated increase in payments due to change in payment dates for old-age assistance and aid to the blind in Baltimore, Md.; for aid to dependent children in Baltimore, Md., and New York City; and for general assistance in New York City.

recipients since January 1943 continued through November. The largest decreases from October figures were in Utah and Wyoming—3.9 and

4.1 percent, respectively. The largest increases were only 2.2 percent in New Hampshire and 2.6 percent in Connecticut.

Total payments, on the other hand, increased 3 percent in New Hampshire and more than 6 percent in Oklahoma. In the latter State, the amount provided for incidentals has been increased from 50 cents to \$2.50, in addition to the increase in the percent of need met.

**General assistance case loads again tended to rise.**—For the past 3 months (September, October, and November) the downward trend in general assistance loads has been checked. The changes in the total load have been negligible, but indicate an upward rather than a downward tendency. Thus, in November, 29 out of 44 States (excluding States with estimated data) reported larger loads than in October. The largest percentage increases, however, were in States with relatively small loads.

**New low in rate of closing general assistance cases.**—Large cities have recently been reporting higher accession rates and lower separation rates in general assistance. The November

separation rate was only 5.6 cases per 100 receiving assistance, slightly below the September rate, the previous low in more than 2 years.

Chart 1.—Recipients of public assistance in the continental United States, January 1939–November 1944

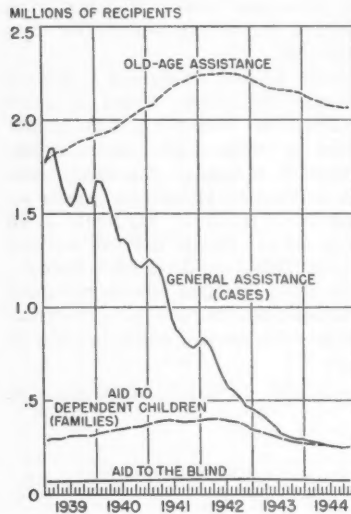


Chart 2.—Payments to recipients of public assistance in the continental United States, January 1939–November 1944

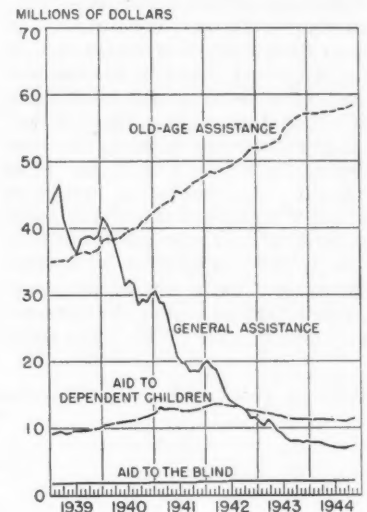


Table 2.—Old-age assistance: Recipients and payments to recipients, by State, November 1944<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	October 1944 in—		November 1943 in—				Total amount	Average	October 1944 in—		November 1943 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total <sup>2</sup>	2,067,600	\$58,501,364	\$28.29	-0.1	+0.5	-4.0	+2.7	Mo.	102,246	\$2,322,840	\$22.72	-0.2	+0.3	-4.1	+3.9
Ala.	30,646	486,953	15.89	+1.2	+1.2	+17.4	+14.7	Mont.	10,914	324,768	29.76	-3	+2	-5.8	+4.8
Alaska	1,354	44,365	32.77	-7	+2	-5.2	+1	Nebr.	24,711	673,846	27.27	-5	+2.5	-6.4	+4
Ariz.	9,530	266,534	28.46	+2	+2	-1.0	-1	Nev.	1,962	75,043	38.25	+4	+5	-4.0	-2.6
Ark.	27,948	496,444	17.76	+7	+1.8	+0.8	+23.0	N. H.	6,616	188,343	28.47	+4	+1.4	-3.2	+2.7
Calif.	158,186	7,468,688	47.21	+1	+1	+7	+6	N. J.	24,744	749,427	30.29	-6	+1.2	-3.2	+0.1
Colo.	<sup>3</sup> 40,781	<sup>3</sup> 1,683,780	41.29	( <sup>4</sup> )	+1	-1.6	-1.3	N. Mex.	5,516	177,644	32.21	+1.0	+7	+5.8	+1.4
Conn.	14,214	496,195	34.91	( <sup>4</sup> )	+3	-3.7	+5.4	N. Y.	106,174	3,678,386	34.64	-4	+1	-6.3	+3.0
Del.	1,453	21,638	14.89	-8	-2	-16.0	-7.4	N. C.	33,069	383,326	11.59	-1	+8	-6.5	+8
D. C.	2,608	85,754	32.88	-1.0	+6	-12.7	+2.4	N. Dak.	8,768	282,821	32.26	-1	-3	-3.2	+23.8
Fla.	39,542	1,128,628	28.47	+9	+1.2	-1.0	+73.1	Ohio	122,530	3,579,553	29.21	-4	( <sup>4</sup> )	-6.5	-1.8
Ga.	67,934	756,729	11.14	-6	-3	-5.1	+1.8	Okla.	76,916	2,147,548	27.92	( <sup>4</sup> )	+4.5	-3	+12.7
Hawaii	<sup>1</sup> 1,400	<sup>1</sup> 31,000						Oreg.	19,777	681,216	34.44	+3	+5	+1.1	+17.9
Idaho	9,782	296,802	30.34	-5	-6	+1.5	+13.6	Pa.	84,273	2,432,040	28.86	-3	-1	-4.8	-2.4
Ill.	124,320	3,869,593	31.13	-3	( <sup>4</sup> )	-14.1	-8.5	R. I.	7,218	235,408	32.61	+1	+1.2	-2.3	+8.3
Ind.	57,723	1,431,270	24.80	-3	+3	-7.6	-8	S. C.	21,380	297,097	13.90	-2	+1	+1.6	+7.6
Iowa	50,552	1,618,332	30.04	-3	+7	-5.1	+8.9	S. Dak.	12,934	310,148	23.98	-4	-2	-5.7	+4.0
Kans.	28,342	818,035	28.86	+2	+1.4	-4.0	+1.0	Tenn.	38,290	635,154	16.59	( <sup>4</sup> )	( <sup>4</sup> )	-1.5	+1.4
Ky.	52,662	595,656	11.31	-1.3	-1.1	-3.5	+4.5	Tex.	169,522	3,668,406	21.64	( <sup>4</sup> )	+3	-6.1	-2.4
La.	36,361	805,915	22.16	-2	( <sup>4</sup> )	-2.1	+4.5	Utah	13,151	486,213	36.97	-1	( <sup>4</sup> )	-3.0	-3.1
Maine	14,987	424,434	28.32	( <sup>4</sup> )	+9	-3.4	+11.7	Vt.	5,090	104,968	20.62	-1.0	-9	-6.1	-4
Md.	12,007	319,719	26.63	-6	-3	-9.9	+3.7	Va.	59,968	205,322	13.05	-6	+1	-7.9	+3.7
Mass.	75,663	3,106,445	41.06	+1.0	+2.5	-3.8	+4.5	Wash.	50,968	2,270,574	37.86	( <sup>4</sup> )	+1	-1.8	-4
Mich.	85,262	2,639,424	29.78	+1	+4	-2.9	+2.1	W. Va.	18,613	339,359	18.23	+4	+5	-1.7	+15.7
Minn.	56,302	1,637,591	29.09	-5	-1	-5.2	+1.0	Wis.	46,446	1,308,676	28.18	-3	+3	-5.8	+7
Miss.	28,119	412,061	14.65	+1.6	+2.0	+10.4	+70.5	Wyo.	3,366	104,253	30.97	+2.3	+6	+1	-3

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

<sup>2</sup> All 51 States have plans approved by Social Security Board.

<sup>3</sup> Includes \$87,414 for payments to 2,113 recipients aged 60 but under 65 years of age.

<sup>4</sup> Increase of less than 0.05 percent.

<sup>5</sup> Estimated.

<sup>6</sup> Decrease of less than 0.05 percent.

Table 3.—General assistance: Cases and payments to cases, by State, November 1944<sup>1</sup>

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	October 1944 in—		November 1943 in—	
				Number	Amount	Number	Amount
Total <sup>2</sup>	255,000	\$7,285,000	\$28.61	+0.3	+0.7	-13.0	-8.1
Ala.	2,964	42,554	14.36	+2.0	+1.2	+19.4	+38.6
Alaska	119	3,611	30.34	+10.2	+14.7	+9.2	+21.7
Ariz.	2,109	62,943	29.84	—	( <sup>3</sup> )	+1.6	+14.3
Ark.	2,823	32,447	11.49	-1	+1.0	-1.4	+24.5
Calif.	11,180	400,097	35.79	+8	+3.1	-6.2	+10.0
Colo.	4,550	137,522	30.22	+2	+9	+4.0	+11.7
Conn.	2,564	86,538	33.75	+7	+4.9	-13.3	-4.4
Del.	331	8,429	25.47	+2.2	+4.2	+1.2	+15.6
D. C.	833	31,399	37.69	+1.2	+1.8	-4.3	+37.7
Fla.	5,000	41,000					
Ga.	2,659	30,794	11.58	+7	+9	-12.3	-2.0
Hawaii	500	16,000					
Idaho	612	12,524	20.46	+2	+1.4	-8.0	+6.0
Ill.	25,386	871,027	34.31	-2.2	-5.5	-27.0	-17.3
Ind.	5,815	127,924	22.00	+1.3	+3.1	-19.8	-9.7
Iowa	4,172	79,662	19.09	( <sup>4</sup> )	-2.7	-30.8	-29.0
Kans.	3,353	93,259	27.98	-9	+2.0	-17.3	-6.0
Ky.	1,600	423,000					
La.	6,300	110,821	17.34	-2	+8	+15.9	-3.4
Maine	1,960	56,869	29.01	+3.0	+4	-13.2	-5.9
Md.	4,466	151,196	33.85	+1.2	+1.2	-4	+18.3
Mass.	12,722	420,695	33.07	-1.0	+3.2	-15.1	-5.7
Mich.	10,096	348,523	34.52	+1.2	+9.0	-11.4	+10.3
Minn.	5,651	153,974	27.25	+8	+4	-17.3	-14.6
Miss.	303	2,243	7.40	+2.4	+6.9	-38.0	-17.0
Mo.	7,857	204,772	26.06	+3.4	+13.6	+17.8	+40.5
Mont.	1,196	29,110	24.34	-1.3	+3.3	-1.2	+18.4
Nebr.	1,618	34,246	21.17	-4.5	+1.7	-20.6	+3.2
Nev.	244	3,948	16.18	+19.6	+12.3	+1.2	+5.0
N. H.	1,300	37,000					
N. J.	4,800	160,000					
N. Mex.	987	19,698	19.96	+3.7	+3.7	-7.6	+17.5
N. Y.	38,892	1,759,145	45.23	-6	+1.1	-27.9	-21.1
N. C.	2,505	24,962	9.96	+4.5	+2.5	-8.4	+2.0
N. Dak.	677	15,719	23.22	+5.0	+4.9	-26.0	-15.7
Ohio	11,197	308,606	27.56	-3	+4	-12.6	-4.4
Okl.	5,113	37,740	( <sup>10</sup> )	( <sup>10</sup> )	-8.9	( <sup>10</sup> )	+11.4
Oreg.	3,364	127,515	37.91	+8.5	+3.7	+19.3	+35.2
Pa.	20,802	494,599	23.78	-7	+4.5	-20.3	-10.6
R. I.	1,850	62,287	33.67	+2.4	-5.6	+8.4	-8.8
S. C.	2,618	28,117	10.74	+1.6	+1.9	+5.8	+11.0
S. Dak.	840	17,581	20.93	+7	+7.2	-15.6	-6.0
Tenn.	1,200	49,000					
Tex.	2,800	44,000					
Utah	1,432	56,482	39.44	-5	-1.0	-9.7	-6.8
Vt.	872	18,305	20.99	+5.6	-2.7	-14.2	-13.5
Va.	3,061	45,119	14.74	-2.3	-5.2	-14.6	-3.7
Wash.	14,251	274,891	19.29	+5.6	+2.2	+136.6	+26.2
W. Va.	4,757	83,508	17.55	+2.1	+7	+22.5	+69.8
Wis.	4,903	122,157	24.91	+7	+1.8	-25.4	-20.9
Wyo.	342	9,005	26.33	-6	-1.5	-18.2	-6.2

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

<sup>2</sup> Partly estimated; does not represent sum of State figures, because total excludes estimated number of cases and payments for medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

<sup>3</sup> State program only; excludes program administered by local officials.

<sup>4</sup> Increase of less than 0.05 percent.

<sup>5</sup> Estimated.

<sup>6</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 60 percent of total.

<sup>7</sup> Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>8</sup> Excludes a few cases and small amount of local funds not administered by the State agency.

<sup>9</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>10</sup> Represents 1,989 cases aided by county commissioners, and 3,124 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 4.—Aid to the blind: Recipients and payments to recipients, by State, November 1944<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	October 1944 in—		November 1943 in—	
				Number	Amount	Number	Amount
Total	72,398	\$2,118,278	\$29.26	-0.1	+0.2	-4.5	+0.5
Total, 46 States <sup>2</sup>	56,448	1,656,471	29.35	-2	+3	-5.1	+1.5
Ala.	747	12,197	16.33	+1.5	+2.1	+12.8	+27.0
Ariz.	427	19,138	44.82	+9	+1.3	+10.9	+32.3
Ark.	1,230	24,666	20.05	+2	+1.2	+3.5	+17.6
Calif.	5,713	271,806	47.58	-6	-6	-11.0	-10.2
Colo.	503	18,103	35.99	-1.0	-4	-8.9	-6.4
Conn.	157	5,490	34.97	+2.6	+1.5	+3.3	+18.0
D. C.	226	8,394	37.14	-4	+1.8	-12.4	-6.5
Fla.	2,283	67,797	29.57	+3	+8	-4.2	+59.6
Ga.	2,092	29,311	14.01	-8	-9	-3.1	+1.4
Hawaii	460	41,400					
Idaho	213	6,793	31.89	-9	-1.3	-9.4	-4
Ill.	5,251	170,639	32.50	( <sup>3</sup> )	+4	-10.6	-9.9
Ind.	2,145	64,898	30.26	( <sup>3</sup> )	-1.2	-7.0	-6.6
Iowa	1,320	42,861	32.47	-8	-6	-10.1	-6.9
Kans.	1,080	33,620	31.13	-1.2	-1	-9.5	-2.8
Ky.	1,611	21,039	13.06	+1	+1	+11.6	+18.9
La.	1,408	38,508	25.93	-8	-2	-4.0	-9
Maine	842	24,428	29.01	-6	( <sup>4</sup> )	-8.6	+4.0
Md.	448	13,463	30.05	-2	+6	-5.3	+6.3
Mass.	947	39,899	42.13	+7	+1.7	-1.7	+17.2
Mich.	1,260	42,339	33.60	-1	-1	-2.3	+1.4
Minn.	928	32,930	35.48	-1.0	+1	-4.5	+4.8
Miss.	1,435	23,971	16.70	+1.3	+2.2	+4.8	+57.1
Mo.	5,000	75,000					
Mont.	315	9,774	31.03	+3	+1.3	+5.4	+13.8
Nebr.	479	12,319	25.72	-2.8	-1.6	-20.3	-16.8
Nev.	27	1,170	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
N. H.	278	8,100	29.14	+2.2	+3.0	-6.1	+2.2
N. J.	541	16,870	31.18	-1.1	+2	-9.8	+8
N. Mex.	262	7,694	29.37	-1.1	-1.1	+2.7	-4.7
N. Y.	2,888	109,463	37.90	+5	+5	+6.3	+20.4
N. C.	2,280	38,622	16.94	( <sup>7</sup> )	+7	+2.4	+9.8
N. Dak.	117	3,651	31.21	-8	-3.8	-6.4	+14.2
Ohio	3,113	81,986	26.34	-6	-1	-7.8	-7
Okl.	1,864	58,006	31.12	+1	+6.1	-4.8	+8.2
Oreg.	373	16,356	43.85	+5	+4	-2.4	+15.9
Pa.	12,923	385,637	29.84	+1	+1	-3.8	-3.0
R. I.	94	2,749	29.24	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
S. C.	883	17,254	19.54	+3	+1.4	+7.7	+25.3
S. Dak.	212	4,600	21.70	-9	-6	-11.3	+3.9
Tenn.	1,534	30,939	20.17	-7	-1.6	-2.2	-1
Tex.	4,621	111,410	24.11	+4	+4	-6	-2.6
Utah	123	5,135	41.75	-3.9	-1.3	-6.1	-2.7
Vt.	155	4,411	28.46	0	-7	+4.0	+15.9
Va.	963	16,583	17.22	-2	+8	-2.9	+13.1
Wash.	620	24,248	39.11	+2	-1	-16.1	-12.7
W. Va.	519	18,546	22.77	+6	+4	-5.8	+6.6
Wis.	1,461	41,749	28.58	-7	-2	-10.5	-3.6
Wyo.	117	4,221	36.08	-4.1	-3.0	-8	+2.3

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind. All data subject to revision.

<sup>2</sup> Total for States with plans approved by Social Security Board.

<sup>3</sup> Includes program administered without Federal participation.

<sup>4</sup> Estimated.

<sup>5</sup> Increase of less than 0.05 percent.

<sup>6</sup> Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

<sup>7</sup> Decrease of less than 0.05 percent.



Table 5.—Aid to dependent children: Recipients and payments to recipients, by State, November 1944<sup>1</sup>

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	October 1944 in—			November 1943 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total <sup>2</sup> .....	252,372	635,278	\$11,330,327	\$44.90	+0.1	+0.1	+1.0	-8.6	-7.2	-0.1
Total, 49 States <sup>3</sup> .....	252,265	635,036	11,326,462	44.90	+1	+1	+1.0	-7.8	-6.5	+3
Alabama.....	4,847	13,373	120,873	24.94	+1.0	+1.7	+1.2	+7.0	+7.5	+20.6
Alaska.....	36	111	1,925	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Arizona.....	1,389	3,999	53,315	38.38	-4	-8	-9	-7.8	-6.9	-4.8
Arkansas.....	4,671	12,349	132,192	28.30	-1	-1.0	+6	-6.8	-5.3	+7.9
California.....	6,348	16,173	497,021	78.30	+8	+4	+7	-8.7	-7.2	+2.5
Colorado.....	3,330	9,002	120,520	36.19	-2	+3	+4	-7.6	-6.0	-4.9
Connecticut.....	1,889	4,847	142,032	75.19	+1.5	+1.2	+1.2	+4.5	+5.1	+17.8
Delaware.....	254	710	16,657	65.58	0	-7	+3.2	+1.6	+3.2	+32.2
District of Columbia.....	562	1,810	34,612	61.59	+4.3	+6.8	+7.1	-16.0	-12.1	+23.8
Florida <sup>5</sup> .....	4,207	10,271	139,469	33.15	+6.4	+6.5	+6.6	+41.7	+51.4	+75.7
Georgia.....	3,989	9,856	99,050	24.83	+5	+8	+4	-2.6	-7	-2
Hawaii.....	4,500	11,000	29,000	37.51	-2.5	-8	-1.3	-25.3	-23.0	-21.5
Idaho.....	1,280	3,556	48,016	37.51	-1.1	-1.0	+11.4	-18.8	-15.9	+10.0
Illinois.....	19,590	46,824	857,631	43.78	-1.2	-7	-5	-22.8	-20.7	-19.1
Indiana.....	6,697	15,262	236,583	35.33	-1.2	-7	-5	-22.8	-20.7	-19.1
Iowa.....	3,041	7,510	82,306	27.07	+4	+5	+6	+31.5	+43.1	+81.0
Kansas.....	3,030	7,686	145,732	48.10	-3	-5	+7	-25.7	-24.8	-20.4
Kentucky <sup>6</sup> .....	4,718	12,825	114,345	24.24	+9	+7	+5	+55.7	+48.0	+53.9
Louisiana.....	9,245	23,738	338,136	36.58	-9	-1.2	-8	-14.3	-13.9	-15.6
Maine.....	1,290	3,649	76,038	58.94	+2	+3	+1.9	-14.1	-13.4	+1.4
Maryland.....	2,718	7,791	101,716	37.42	+9	+8	+1.3	-11.9	-11.0	-7.3
Massachusetts.....	6,742	16,528	525,095	77.88	-3.3	-3.8	-1.4	-10.8	-11.4	-3.6
Michigan.....	12,485	30,080	751,459	60.19	-2	-2	-1	-9.0	-7.7	-8.1
Minnesota.....	4,990	12,431	204,008	40.88	-6	-6	-4	-15.7	-14.6	-11.5
Mississippi.....	2,868	7,324	73,984	25.80	+7	+7	+8	+8.9	+9.2	+36.5
Missouri.....	10,787	27,112	357,222	33.12	+2	+4	+2	-4.7	-1.3	-1.9
Montana.....	1,305	3,249	44,272	33.92	-1.9	-2.1	-1.8	-16.1	-14.1	-11.9
Nebraska <sup>10</sup> .....	2,435	5,678	79,559	32.67	-2.4	-1.9	-1.8	-24.1	-23.2	-23.9
Nevada.....	71	151	1,940	27.32	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
New Hampshire.....	695	1,744	39,171	56.36	+2.4	+2.2	+3.5	-4.3	-5.9	-2.8
New Jersey.....	3,549	8,683	186,309	52.50	-1.0	-1.1	-4	-18.6	-16.1	-3.3
New Mexico.....	2,162	6,195	88,107	40.75	+1.0	+6	+7	-2.9	-3.9	-11.1
New York.....	18,460	42,778	1,362,930	73.83	( <sup>11</sup> )	+3	-1.5	-1.1	-2.5	+11.5
North Carolina.....	6,183	15,247	139,155	22.51	-5	+2	+1.8	-11.2	-8.2	+5.6
North Dakota.....	1,499	4,107	74,916	49.98	-5	-5	+3.0	-16.2	-17.6	+7.1
Ohio.....	7,640	20,539	402,608	52.70	+1	-3	+2	-13.3	-12.6	-5.7
Oklahoma.....	13,777	33,123	465,443	33.78	+2.2	+1.4	+1.7	-1.6	-5	+9.6
Oregon.....	1,186	2,876	90,852	76.60	-4	-1.5	+7	-2.3	-1.2	+17.6
Pennsylvania.....	21,466	56,738	1,197,091	55.77	-3	-2	( <sup>11</sup> )	-18.6	-17.3	-12.8
Rhode Island.....	1,138	2,968	76,775	67.46	+2.0	+1.3	+2.9	+5	-2.8	+8.1
South Carolina.....	3,424	10,179	81,480	23.80	+5	-8	+1.3	+3	+7	+11.3
South Dakota.....	1,459	3,424	47,802	32.76	-7	+1	-1	-9.3	-9.4	-5.5
Tennessee.....	10,910	28,353	337,679	30.95	+6	+6	+5	-6.1	-4.8	+6
Texas.....	10,671	23,222	222,523	20.85	+9	+1.0	+8	+1.9	+1	-1
Utah.....	1,830	4,884	132,687	72.51	-1	-1	-1	-4.4	-4.4	+3.7
Vermont.....	546	1,402	18,677	34.21	-5	+1.0	+1.6	-10.0	-8.9	-5.3
Virginia.....	3,500	9,918	96,686	27.62	+1	+1	+1.0	-8.8	-8.4	+0.3
Washington.....	3,251	8,048	276,335	85.00	+7	+7	+1.6	+2.3	+3.7	+12.1
West Virginia.....	6,724	18,787	223,343	33.22	+9	+9	+7	-11.2	-8.9	+3.7
Wisconsin.....	5,988	14,352	318,371	53.17	+1	-3	+8	-16.2	-16.5	-7.5
Wyoming.....	306	827	13,702	44.78	-3	+1.2	+8	-25.9	-26.2	-21.6

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. All data subject to revision.

<sup>2</sup> Includes program administered in Florida under State law without Federal participation. See footnote 5.

<sup>3</sup> Total for States with plans approved by Social Security Board.

<sup>4</sup> Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

<sup>5</sup> In addition, in 21 counties payments amounting to \$12,979 were made from local funds without State or Federal participation to 694 families, in behalf of 1,409 children under State mothers'-assistance law.

<sup>6</sup> Estimated.

<sup>7</sup> No approved plan for November 1943. Percentage change based on program administered without Federal participation.

<sup>8</sup> Includes program administered without Federal participation.

<sup>9</sup> Partly estimated.

<sup>10</sup> In addition, in 57 counties payments amounting to \$9,153 were made from local funds without State or Federal participation to 381 families, in behalf of 1,233 children under State mothers'-pension law; some of these families also received aid under approved plan.

<sup>11</sup> Decrease of less than 0.05 percent.

## Employment Security

### Operations in Unemployment Compensation

**November activities.**—Benefit disbursements of \$4.9 million were made in November to a weekly average of about 71,400 beneficiaries to compensate for 309,000 weeks of unemployment. November benefit payments represented a 13-percent increase from the October figure and a rise of 39 percent from that in November 1943, when disbursements were practically at their all-time low. All but 10 States shared in the increase from October. Almost half the States (25) reported increases from the November 1943 levels; in Wyoming, the amount was about 11 times greater, in Michigan, almost 7 times, and in Connecticut more than 4 times, while disbursements more than doubled in California, Delaware, Montana, and Utah.

For the country as a whole, the average weekly benefit amount for total unemployment increased from \$16.36 in October to \$16.60 in November. Except for a midsummer decline in July and August, this average has risen each month since January 1944.

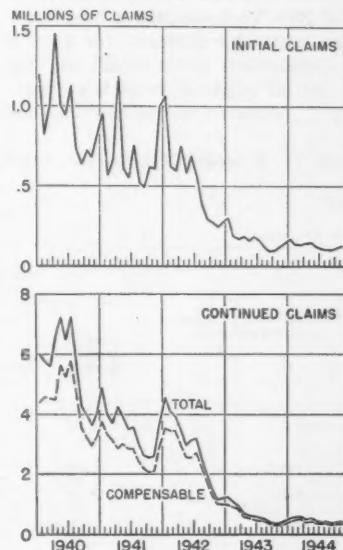
State funds reserved for future benefit payments totaled more than \$6 billion on November 30, an increase

of 2.3 percent over the amount available at the end of October.

A 6.2-percent increase from the October level brought the number of initial claims filed in local offices during November to 122,500. This number represents a 3.0-percent increase from November 1943. For January–November 1944, however, initial-claim receipts were 21 percent less than those in the first 11 months of 1943 and 77 percent less than in the corresponding period of 1942. Twenty-eight States reported heavier initial-claim loads than in October. Increases ranged from less than 1 percent in the District of Columbia and Massachusetts to 145 percent in Minnesota. The sharp rise in Minnesota resulted primarily from lay-offs of laborers in the iron mines, though all other industry groups, except transportation, communication, and utilities, showed more claims filed in November than in the preceding month. Despite this increase, however, Minnesota initial claims were 44 percent fewer than in November 1943. Fourteen States reported more initial claims than a year earlier; in Michigan, the increase was 377 percent.

The number of continued claims rose 11 percent, bringing the November figure to 417,000. Three States—Delaware, Minnesota, and Ohio—reported gains of more than 50 percent, while relatively smaller increases oc-

Chart 1.—Number of initial and continued claims received in local offices, January 1940–November 1944



curred in 29 other States. In comparison with November 1943, continued-claim receipts increased more than 6 to 1 in Michigan, 3 to 1 in Connecticut and Nevada, and 2 to 1 in California, Delaware, and Montana. These increases, coupled with lesser gains in 11 other States, resulted in a national rise of 17 percent over the figure for November 1943. Although more than 5 million continued claims were filed in local offices during the first 11 months of 1944, receipts were almost one-third below those in the corresponding period of 1943 and 84.5 percent less than in January–November 1942.

Table 1.—Summary of unemployment compensation operations, November and January–November 1944<sup>1</sup>

Item	November 1944			January–November 1944		
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		October 1944	November 1943		January–November 1943	January–November 1942
Initial claims.....	122,516	+6.2	+3.0	1,380,795	-20.7	-77.2
Continued claims.....	416,882	+10.6	+17.3	5,059,809	-30.2	-84.5
Waiting-period.....	74,606	+8.5	+6.2	905,637	-28.7	-81.6
Compensable.....	342,276	+11.1	+20.0	4,154,172	-30.5	-85.0
Weeks compensated.....	309,349	+12.2	+22.0	3,799,288	-33.4	-86.1
Total unemployment.....	278,408	+10.6	+24.8	3,430,705	-32.9	-86.3
Part-total unemployment <sup>2</sup> .....	8,937	+42.7	+23.4	108,313	-29.3	-85.5
Partial unemployment <sup>3</sup> .....	19,736	+24.6	-5	234,420	-30.6	-84.1
Weekly average beneficiaries.....	71,385	+12.2	+26.7	.....	.....	.....
Gross benefits paid.....	\$4,917,813	+13.1	+38.9	\$37,921,261	-23.6	-82.7
Benefits paid since first payable <sup>4</sup> .....	\$2,168,460,305	.....	.....	.....	.....	.....
Funds available as of Nov. 30 <sup>5</sup> .....	\$6,024,178,212	+2.3	+27.9	.....	.....	.....

<sup>1</sup> Excludes activities under title V of the Service-men's Readjustment Act of 1944.

<sup>2</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>3</sup> Based on 46 States reporting comparable data.

<sup>4</sup> Adjusted for voided benefit checks. Includes California through Oct. 31, 1944.

<sup>5</sup> Includes California as of Oct. 31, 1944.

<sup>6</sup> Based on data for 50 States.

### Statutory Provisions For Partial Unemployment

During reconversion, when employers are trying to hold their working forces together, available work will be shared and many workers will suffer partial unemployment. When the unemployment compensation laws were enacted it was recognized that workers should be protected against wage loss due to underemployment as well as to total unemployment, and all but seven of the original laws included provision for payments for weeks of partial unemployment. Ne-

braska added such provisions effective in 1939, Kentucky and Massachusetts in 1940, and New Jersey in 1941. In 1942 New York adopted a "day-base" plan providing payment for days of unemployment under which one type of partial unemployment is compensated. All States except Montana and

Pennsylvania now pay benefits for partial unemployment, and in Pennsylvania the administrative agency has been directed to study the problem and recommend provisions to meet it.

The benefit rights of partially unemployed workers depend in part on

State provisions for total unemployment and in part on the special provisions for partial unemployment. The determinations of the earnings level at which workers are to be considered partially unemployed and of the amount to be paid are stated in terms of the weekly benefit amount

Table 2.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, November 1944, and funds available for benefits as of November 30, 1944, by State<sup>1</sup>

[Data reported by State agencies, corrected to Dec. 29, 1944]

Social Security Board region and State	Beneficiaries			Weeks compensated for specified types of unemployment				Benefits paid <sup>4</sup>			Funds available for benefits <sup>5</sup> as of Nov. 30, 1944 <sup>6</sup>
	Average weekly number <sup>2</sup>	Percentage change from—		All types	Total	Part- total <sup>3</sup>	Partial <sup>3</sup>	Amount	Percentage change from—		
		October 1944	November 1943						October 1944	November 1943	
Total.....	71,385	+12.2	+26.7	309,349	278,408	8,937	19,736	\$4,917,813	+13.1	+38.9	\$6,024,178,212
Region I:											
Connecticut.....	1,744	+1.1	+254.5	7,557	6,817	232	508	139,385	+7	+303.2	154,590,453
Maine.....	462	+3.8	-18.1	2,004	1,329	46	629	123,854	+2.3	-7.9	31,486,020
Massachusetts.....	3,321	+7.2	+48.0	14,390	12,328	104	1,958	221,719	+7.8	+63.4	199,488,607
New Hampshire.....	224	+16.7	-45.4	969	740	7	222	10,047	+21.6	-46.7	19,436,637
Rhode Island.....	1,803	+2.9	+52.3	6,512	5,442	0	1,070	100,656	+3.6	+50.7	62,815,377
Vermont.....	100	+58.7	-8.3	433	427	1	5	5,516	+61.9	+10.6	10,865,989
Region II-III:											
Delaware.....	160	+55.3	+138.8	695	450	7	238	9,022	+57.1	+117.1	13,787,531
New Jersey.....	4,950	+23.4	+16.1	21,450	19,016	49	2,385	342,734	+24.9	+25.8	393,643,769
New York.....	10,892	+1.1	-2.6	47,197	44,929	( <sup>7</sup> )	( <sup>7</sup> )	766,984	+1.3	-1.8	836,560,081
Pennsylvania.....	2,642	-13.5	-22.4	11,450	11,450	( <sup>7</sup> )	( <sup>7</sup> )	176,157	-13.4	-24.3	500,213,451
Region IV:											
District of Columbia.....	315	-2.8	-46.4	1,367	1,328	39	0	24,354	-1.5	-43.9	41,429,793
Maryland.....	657	+7.2	-10.2	2,848	2,125	29	694	46,034	+8.4	-2.6	110,074,414
North Carolina.....	513	-13.8	-11.6	2,225	2,038	17	150	21,524	-12.2	-2.8	90,579,969
Virginia.....	212	-22.1	-68.1	919	876	36	7	11,129	-14.3	-71.0	37,218,098
West Virginia.....	526	-9.3	-41.4	2,280	1,874	0	406	33,890	-11.3	-42.1	61,718,800
Region V:											
Kentucky.....	1,125	+9.2	-30.9	4,874	4,511	320	43	50,674	+8.4	-21.8	76,948,315
Michigan.....	9,660	+32.3	+502.2	41,861	41,441	228	192	811,776	+32.6	+509.9	258,428,577
Ohio.....	943	+33.2	+15.8	4,088	3,811	98	170	57,592	+35.9	+10.9	422,600,503
Region VI:											
Illinois.....	7,134	+13.5	+28.9	30,913	24,309	4,130	2,474	489,018	+6.1	+36.9	463,418,475
Indiana.....	1,319	+24.8	-37.3	5,715	5,355	87	273	89,355	+24.6	-32.2	161,331,664
Wisconsin.....	879	+8.9	+36.3	3,811	3,158	241	412	61,292	+13.4	+44.1	151,815,882
Region VII:											
Alabama.....	1,450	+2.8	+22.0	6,284	6,167	95	22	73,415	+2.8	+21.2	59,311,911
Florida.....	1,568	-2.8	+7.4	6,794	5,785	420	580	82,815	-2.5	+12.6	46,680,841
Georgia.....	433	+6.9	-43.9	1,877	1,656	19	202	23,512	+17.6	-36.8	68,356,973
Mississippi.....	212	-9.8	-22.3	918	727	22	169	9,669	-9.7	-31.1	20,818,048
South Carolina.....	313	+16.8	-49.8	1,357	1,305	28	24	15,376	+19.9	-51.8	33,816,791
Tennessee.....	2,371	+5.1	+2.1	10,275	9,935	162	178	119,081	+5.0	+5.2	69,434,684
Region VIII:											
Iowa.....	231	+17.9	+1.3	1,002	939	58	5	12,032	+25.0	+8.3	52,871,608
Minnesota.....	218	+41.6	-32.9	943	855	72	16	13,716	+57.4	-30.9	74,206,488
Nebraska.....	32	( <sup>7</sup> )	( <sup>7</sup> )	140	111	6	23	1,399	-37.8	-74.2	22,779,170
North Dakota.....	4	( <sup>7</sup> )	( <sup>7</sup> )	17	17	0	0	225	+73.1	+2.7	4,482,660
South Dakota.....	10	( <sup>7</sup> )	( <sup>7</sup> )	44	38	6	0	392	+19.9	-64.6	5,836,764
Region IX:											
Arkansas.....	250	+5.9	-66.8	1,085	1,062	19	4	11,982	+3.1	-70.1	24,783,759
Kansas.....	327	+16.8	-54.1	1,419	1,297	72	50	17,908	+14.9	-55.0	46,239,827
Missouri.....	1,392	+3.9	-3.0	6,032	4,898	104	1,030	80,309	+3.8	+5	138,842,005
Oklahoma.....	317	+7.5	-35.6	1,374	1,209	108	57	19,654	+9.3	-33.8	42,038,669
Region X:											
Louisiana.....	635	+1.9	+20.7	2,753	2,635	62	56	41,170	+3.6	+27.1	65,240,836
New Mexico.....	11	( <sup>7</sup> )	( <sup>7</sup> )	48	45	3	0	523	+1.4	-4.4	8,438,186
Texas.....	847	-3.9	+27.2	3,670	3,502	168	0	42,982	+2.2	+44.5	137,446,331
Region XI:											
Colorado.....	82	+3.8	-11.8	354	335	17	2	4,774	+2.6	-3.1	30,191,268
Idaho.....	26	( <sup>7</sup> )	( <sup>7</sup> )	112	110	2	0	1,642	+10.3	+83.3	12,518,116
Montana.....	84	+16.7	( <sup>7</sup> )	365	365	( <sup>7</sup> )	( <sup>7</sup> )	4,475	+18.5	+103.7	15,505,340
Utah.....	151	+7	+106.8	656	611	43	2	12,210	+6	+120.5	21,901,289
Wyoming.....	4	( <sup>7</sup> )	( <sup>7</sup> )	18	18	0	0	220	+14.0	( <sup>7</sup> )	6,946,421
Region XII:											
Arizona.....	99	+7.6	+76.8	429	397	32	0	5,931	+6.4	+73.8	16,454,468
California.....	10,686	+30.9	+151.5	46,307	39,394	1,691	5,222	818,737	+30.6	+142.9	* 602,775,234
Nevada.....	30	( <sup>7</sup> )	( <sup>7</sup> )	128	127	1	0	1,898	+2.4	-5.3	8,800,037
Oregon.....	100	+13.6	-40.8	432	368	15	49	5,723	+8.0	-34.5	61,251,581
Washington.....	205	+39.5	+17.8	888	658	40	190	12,277	+45.9	+30.4	124,779,122
Territories:											
Alaska.....	15	( <sup>7</sup> )	( <sup>7</sup> )	64	64	0	0	967	-2.9	+35.6	6,890,101
Hawaii.....	1	( <sup>7</sup> )	( <sup>7</sup> )	6	4	1	1	87	-16.3	-70.1	16,087,059

<sup>1</sup> Excludes activities under title V of the Servicemen's Readjustment Act of 1944.

<sup>2</sup> Computed by dividing all weeks compensated during the month by 4½.

<sup>3</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>4</sup> Not adjusted for voided benefit checks.

<sup>5</sup> Represents sum of balances at end of month in State clearing account and

benefit-payment account, and in State account in Federal unemployment trust fund (excluding amounts transferred to railroad unemployment insurance account).

<sup>6</sup> Includes California as of Oct. 31, 1944.

<sup>7</sup> Not computed, because fewer than 50 beneficiaries were reported in either or both periods.

<sup>8</sup> Increase of more than 1,000 percent.



for total unemployment. The provisions for weekly benefits for total unemployment are summarized in the last three columns of table 4. The special provisions for partial unemployment will be discussed in terms of definition and of computation of benefit payments.

In their administrative practices, most States distinguish between partially unemployed workers—those who suffer some unemployment while attached to their regular jobs—and part-totally unemployed workers—those who have been separated from their jobs but pick up odd-job earnings. The partially unemployed workers expect, or hope, to resume full-time work on their regular jobs; and since they generally do not need assistance in placement, the agency's requirement concerning registration for work does not apply in the same way as with totally unemployed workers. The part-totally unemployed workers, on the other hand, are subject to all the requirements for the totally unemployed but their benefits are reduced by all or part of their earnings. While it is important to separate these two types of claimants administratively, the formulas for determining their eligibility and the amount of their benefits are identical under most State laws. Accordingly they will not be distinguished in this statement.

### Definition of Partial Unemployment

In 30 States the definition of partial unemployment is included in one definition of unemployment, usually as follows:

"Unemployment. An individual shall be deemed 'unemployed' with respect to any week during which he performs no services and with respect to which no wages are payable to him, or with respect to any week of less than full-time work if the wages payable to him with respect to such week are less than his weekly benefit amount."

Fourteen other States define a week of partial unemployment as "a week of less than full-time work" as well as of reduced earnings. Kentucky specifies a week with less than 24 hours of suitable work, and North Carolina, a week of less than 60 percent of the full-time week of the industry or plant. West Virginia uses any *pay period* of less than half "normal shift expectancy"; the definition is in terms of pay pe-

Table 3.—Initial and continued claims received in local offices, by State, November 1944<sup>1</sup>

[Data reported by State agencies,<sup>2</sup> corrected to Dec. 26, 1944]

Social Security Board region and State	Initial claims			Continued claims				
	Total <sup>3</sup>	Percentage change from—		New	Total <sup>4</sup>	Percentage change from—		Com- pen- sable
		October 1944	Novem- ber 1943			October 1944	Novem- ber 1943	
Total.....	122,516	+6.2	+3.0		416,882	+10.6	+17.3	342,276
Region I:								
Connecticut.....	3,476	-3.7	+70.3	2,388	10,087	-4	+214.8	8,310
Maine.....	1,222	+18.1	-22.0	595	2,805	+14.9	-19.8	2,230
Massachusetts.....	6,870	+9	+10.8	3,692	17,045	-9.9	+14.2	14,054
New Hampshire.....	436	+16.3	-30.7	273	1,284	+1	-43.3	1,096
Rhode Island.....	1,572	-14.8	+27.2	1,206	6,899	+2.7	+59.9	6,477
Vermont.....	107	-7.0	+15.1	85	718	+29.4	+5.1	638
Region II-III:								
Delaware.....	213	-14.1	+26.0	182	759	+52.7	+100.8	681
New Jersey.....	8,755	-4.3	+1.9	5,823	28,234	+12.3	+9.6	23,747
New York.....	23,588	+13.7	-15.9	11,254	65,162	-3.7	+1	44,647
Pennsylvania <sup>5</sup> .....	4,358	+25.4	-16.5	4,358	20,858	+4.5	-16.8	15,869
Region IV:								
District of Columbia.....	265	+4	-48.9	229	1,551	-7.5	-47.1	1,421
Maryland <sup>6</sup> .....	418	-2.1	+16.8	418	2,648	+13.6	-25.4	2,390
North Carolina.....	698	+6.9	-41.5	597	3,274	-12.8	-13.1	2,732
Virginia.....	328	+6.5	-52.7	236	1,073	-14.4	-66.5	959
West Virginia.....	679	-20.3	-43.7	526	3,425	-12.1	-31.7	3,188
Region V:								
Kentucky.....	1,572	+22.0	-14.4	1,313	7,987	+16.1	-17.9	7,406
Michigan.....	16,513	-23.4	+37.3	13,921	52,869	+28.9	+523.9	46,585
Ohio <sup>6</sup> .....	2,817	+36.3	+26.4	2,817	7,068	+52.2	+11.9	4,835
Region VI:								
Illinois.....	13,474	+12.8	-1.0	7,569	38,424	+18.4	+38.4	31,706
Indiana <sup>6</sup> .....	2,114	+40.6	-51.1	2,114	6,520	+24.5	-37.1	5,298
Wisconsin.....	907	+13.7	-55.9	(7)	4,846	-1	-17.4	4,171
Region VII:								
Alabama.....	784	-20.6	-67.1	655	6,649	-6.7	-13.0	6,206
Florida <sup>6</sup> .....	1,229	-21.3	-21.5	1,229	9,458	+8	-4.6	8,816
Georgia.....	936	+29.5	-15.9	767	2,882	+13.4	-43.3	2,069
Mississippi.....	302	-28.3	-50.3	264	1,799	-9.7	-28.5	1,597
South Carolina.....	521	-10.6	-64.3	440	2,696	+2.1	-57.4	2,284
Tennessee.....	2,405	-10.5	+25.3	1,978	14,900	+2.9	+12.6	13,296
Region VIII:								
Iowa.....	501	+27.8	-13.5	426	1,720	+36.0	+11.2	1,189
Minnesota.....	787	+145.2	-44.1	584	1,814	+83.6	-26.3	1,164
Nebraska.....	61	0	-59.1	42	246	-12.8	-47.8	221
North Dakota.....	22	(9)	(9)	21	88	(9)	-1.7	52
South Dakota.....	41	(9)	(9)	37	214	-7.4	-55.9	205
Region IX:								
Arkansas.....	516	+16.2	-43.5	454	2,470	+5.7	-57.8	2,337
Kansas.....	518	+9.5	-25.7	415	2,102	+20.8	-39.2	1,871
Missouri.....	2,330	-10.2	-38.6	1,865	9,165	(9)	-21.4	7,329
Oklahoma.....	553	-9.2	-55.9	444	2,614	+3.7	-36.1	2,413
Region X:								
Louisiana.....	808	+4.0	-27.3	626	3,707	+3	-24.8	3,409
New Mexico.....	36	(9)	(9)	34	157	-10.3	-37.9	149
Texas.....	1,598	+18.5	-6.5	(9)	8,891	+11.5	-7.4	8,243
Region XI:								
Colorado.....	162	+8.0	-54.2	132	519	-11.1	-54.9	441
Idaho.....	48	(9)	(9)	38	213	+7.0	0	190
Montana.....	104	+23.8	+55.2	79	572	+6.1	+101.4	467
Utah.....	161	+66.0	-9.0	117	742	+12.4	+30.9	667
Wyoming.....	1	(9)	(9)	1	36	(9)	(9)	29
Region XII:								
Arizona.....	296	+35.2	+35.2	271	856	+16.9	+1	784
California.....	16,192	+49.7	+51.1	8,666	56,518	+33.0	+103.1	46,483
Nevada.....	84	+18.3	(9)	73	371	+20.8	+211.8	322
Oregon.....	295	+71.5	-29.1	216	783	-21.4	-42.4	647
Washington.....	626	+63.4	+17.0	426	1,122	+42.0	-6.3	898
Territories:								
Alaska.....	16	(9)	(9)	14	68	(9)	-30.6	56
Hawaii.....	1	(9)	(9)	1	4	(9)	(9)	3

<sup>1</sup> Excludes all claims taken under title V of the Servicemen's Readjustment Act of 1944.

<sup>2</sup> Except claims taken by U. S. Employment Service personnel, which are reported by War Manpower Commission.

<sup>3</sup> Includes additional claims, except in Florida, Indiana, Maryland, Ohio, Pennsylvania.

<sup>4</sup> Includes waiting-period claims.

<sup>5</sup> State procedures do not provide for filing additional claims.

<sup>6</sup> Excludes all claims for partial unemployment.

<sup>7</sup> Data not comparable.

<sup>8</sup> Not computed, because fewer than 50 claims were reported in either or both periods.

<sup>9</sup> Decrease of less than 0.05 percent.

<sup>10</sup> Data not available.

riods rather than weeks because the coal miners, who predominate among partially employed workers in the State, are on semimonthly pay rolls. A West Virginia claimant is considered totally, rather than partially, unemployed unless he performs services and earns wages for more than 8 hours

per week. In Texas, partial unemployment, like total unemployment, is defined in terms of earnings in periods of 14 consecutive days. A New York worker accumulates benefit rights in any week with more than 3 days of total unemployment and earnings of less than \$24.

In 35 States, a worker who earns as much as his weekly benefit amount in a week of less than full-time work is not considered partially unemployed. A number of other States consider a worker partially unemployed when he earns more than his weekly benefit amount. In 5 States he may earn \$2 or \$3 a week more—and in Texas, \$4 in 2 weeks—regardless of the weekly benefit amount, while in 3 States the allowance is  $\frac{1}{2}$  of the individual worker's benefit amount. In 5 States, \$2 or \$3 of odd-job earnings—in Texas, \$6 in 2 weeks—are excluded and in Colorado, all odd-job earnings. Iowa, Missouri, North Carolina, and Texas have both types of allowance. Montana and Pennsylvania, which have no provision for benefits for partial unemployment, disregard some earnings in determining when a worker is totally unemployed; Montana disregards \$5 of odd-job earnings, and Pennsylvania, \$3 from any source. These provisions give workers with these small amounts of earnings the protection which some other State laws give through the partial unemployment provisions.

The allowance, in determining partial unemployment, of a specified sum over the weekly benefit amount results in anomalies in benefits, particularly in the lower wage brackets. Thus, in Delaware, for example, a worker whose weekly benefit amount is \$5 is partially unemployed when he earns up to \$7; he may receive benefits for as little as 50 cents. In Alabama, however, a worker with a weekly benefit amount of \$5 would not be eligible for benefits if he earned as much as \$5. He could not receive a check for less than the amount of the allowance, \$2. In Illinois the \$2 allowance would usually result in a payment rounded up to \$3.

Some of the formulas seem inconsistent in their definition of partial unemployment and of partial benefits. Colorado, for example, ignores all odd-job earnings in determining a worker's unemployment status, but if his earnings are more than \$3 in excess of his weekly benefit amount he is not eligible for partial benefits. As a result, a claimant may be partially unemployed, as defined, but entitled to no benefit. A similar situation can exist in Iowa, Missouri, North Carolina, South Dakota, and Texas.

#### Computation of Benefit Amount

Although only 12 States consider a

Table 4.—Summary of provisions relating to benefits for partial unemployment, State unemployment compensation laws as of December 1944<sup>1</sup>

State	Partial unemployment			Total unemployment		
	Definition: Week of less than full-time work if earnings are less than—	Earnings disregarded in computing weekly benefit for partial unemployment	Rounding of benefit for partial unemployment	Fraction of high-quarter earnings or type of schedule	Minimum	Maximum
Alabama.....	wba.....	\$2	Nearest \$.....	$\frac{1}{2}$ o	\$2	\$15
Alaska.....	wba.....	5	Higher \$.....	$\frac{2}{3}$ o	5	16
Arizona.....	wba.....	3	Higher \$.....	$\frac{2}{3}$ o	5	15
Arkansas.....	$\frac{1}{2}$ wba.....	3	No provision.....	$\frac{1}{2}$ o	3	15
California.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	10	20
Colorado.....	wba + all o. j.....	3	No provision.....	$\frac{2}{3}$ o	5	15
Connecticut.....	wba.....	2	No provision.....	$\frac{1}{2}$ o	5	22
Delaware.....	wba + \$2.....	2	Higher 50¢.....	$\frac{1}{2}$ o	5	18
District of Columbia.....	wba.....	$\frac{1}{2}$ of wba	Higher \$.....	$\frac{1}{2}$ o	6	20
Florida.....	wba.....	2	Higher 50¢.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	5	15
Georgia.....	wba.....	3	Nearest \$.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	4	18
Hawaii.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	5	20
Idaho.....	wba.....	Lesser of $\frac{1}{2}$ wba and \$5.	Lower \$.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	5	18
Illinois.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	7	20
Indiana.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	5	18
Iowa.....	wba + \$2 + \$3 o. j.....	2	No provision.....	$\frac{2}{3}$ o	5	15
Kansas.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	5	15
Kentucky.....	wba.....	$\frac{1}{2}$	Nearest \$.....	Annual earnings	5	16
Louisiana.....	wba.....	2	Higher \$.....	$\frac{2}{3}$ o	3	18
Maine.....	wba.....	\$2.99	Lower 50¢.....	Annual earnings	6	18
Maryland.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	7	20
Massachusetts.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	6	18
Michigan.....	wba.....	Greater of $\frac{1}{4}$ earnings and \$3.	Higher 50¢.....	$\frac{1}{2}$ o	10	20
Minnesota.....	wba.....	3	Higher \$.....	Annual earnings	7	20
Mississippi.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	3	15
Missouri.....	$\frac{1}{2}$ wba + \$3 o. j.....	$\frac{1}{2}$	No provision.....	$\frac{1}{2}$ o	11	18
Montana.....	No provision.....	3	Nearest \$.....	$\frac{1}{2}$ o	5	15
Nevada.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	5	15
New Hampshire.....	wba + \$2.....	2	Nearest \$.....	Annual earnings	6	18
New Jersey.....	wba + \$3.....	3	Higher \$.....	$\frac{1}{2}$ o	7	18
New Mexico.....	wba.....	3	Higher 50¢.....	$\frac{1}{2}$ o	5	15
New York.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	10	18
North Carolina.....	$\frac{1}{2}$ wba + \$3 o. j.....	$\frac{1}{2}$	Nearest 50¢.....	Annual earnings	3	15
North Dakota.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	5	15
Ohio.....	wba.....	2	No provision.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	5	16
Oklahoma.....	wba.....	2	Higher \$.....	$\frac{1}{2}$ o	6	16
Oregon.....	wba.....	2	No provision.....	6¢	10	15
Pennsylvania.....	Provision for study.....	3	Higher \$.....	$\frac{1}{2}$ o	8	18
Rhode Island.....	wba + \$3 o. j.....	\$3 o. j.	No provision.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	6.75	18
South Carolina.....	wba.....	1	Higher \$.....	$\frac{1}{2}$ o	4	15
South Dakota.....	wba + \$3 o. j.....	2	Higher 50¢.....	Annual earnings	7	15
Tennessee.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	5	15
Texas.....	wba + \$2 + \$3 o. j.....	2	Nearest 50¢.....	$\frac{1}{2}$ o	5	15
Utah.....	wba.....	3	Higher \$.....	$\frac{1}{2}$ o	5	20
Vermont.....	wba + \$3.....	3	No provision.....	$\frac{1}{2}$ o- $\frac{1}{2}$ o	6	15
Virginia.....	wba.....	2	No provision.....	$\frac{1}{2}$ o	4	15
Washington.....	wba.....	3	Higher 50¢.....	$\frac{1}{2}$ o	7	15
West Virginia.....	(11)		Table.....	Annual earnings	7	18
Wisconsin.....	wba.....		(12)	17 Average weekly earnings	18	20
Wyoming.....	wba.....	3	Nearest \$.....	$\frac{1}{2}$ o	7	20

<sup>1</sup> As used in this table, "wba" means "weekly benefit amount" for total unemployment; "o. j." means odd-job earnings.

<sup>2</sup> Or 50 percent of full-time weekly wage.

<sup>3</sup> In these laws, the allowance is added to the weekly benefit amount rather than subtracted from the earnings.

<sup>4</sup> Higher fraction for weekly benefit amounts of \$6 and \$6.50.

<sup>5</sup> Varies according to size of fund.

<sup>6</sup> From other than regular employer.

<sup>7</sup> Or full-time weekly wage, whichever is the lesser.

<sup>8</sup> Effective Jan. 1, 1945, fraction of high-quarter earnings is  $\frac{1}{2}$ , with no full-time weekly wage alternative.

<sup>9</sup> According to schedule in law.

<sup>10</sup> Or average weekly wage in high quarter, whichever is the lesser.

<sup>11</sup> Actually 50 cents, but paid at rate of \$3 per week.

<sup>12</sup> New York has "day base" plan which provides benefits with respect to a week of 1-3 effective days of unemployment, i. e., days beyond 3 in a week in

which the individual earns not more than \$24. Benefits are payable only upon the accumulation of 4 effective days.

<sup>13</sup> Higher fraction for weekly benefit amounts of \$5 and \$6.

<sup>14</sup> Actually, 2-week periods are used and the amounts specified in the law are twice as great as the amounts given here.

<sup>15</sup> Partial unemployment defined in terms of pay periods of less than half the normal full-time work. Benefit determined according to amount of time lost. See text.

<sup>16</sup> Raised to an amount which will permit the charging of one-half of a credit week, which in turn equals one-half of the weekly benefit amount. Since the latter is rounded in multiples of \$1, the benefits for partial unemployment vary by 50-cent intervals.

<sup>17</sup> Average weekly earnings with employer whose account is charged, i. e., current employer if partially unemployed, most recent employer chargeable if part-totally unemployed.

<sup>18</sup> Actually \$2, but paid at rate of \$8.

Table 5.—Partial benefits payable in States with diverse provisions for benefits for partial unemployment to claimants with specified weekly benefit amount and specified earnings in a particular week

State	Weekly benefit amount \$15; earnings at regular job \$10.65 <sup>1</sup>	Weekly benefit amount \$6; earnings at regular job \$4.45 <sup>1</sup>
Alabama.....	\$6.00	\$4.00
Alaska.....	10.00	7.00
Arizona.....	8.00	5.00
Arkansas.....	7.35	4.55
Connecticut.....	6.35	3.55
Delaware.....	6.50	4.00
District of Columbia.....	11.00	4.00
Idaho.....	9.00	4.00
Kentucky.....	6.00	2.00
Maine.....	7.00	4.50
Massachusetts.....	5.00	2.00
Michigan.....	7.50	5.00
Missouri.....	6.13	2.29
North Carolina.....	6.00	2.50
Rhode Island.....	4.35	1.55
South Carolina.....	6.00	3.00

<sup>1</sup> If the earnings specified were odd-job earnings, the benefit for partial unemployment would be the same in each State except Rhode Island, where they would be \$3 larger.

worker partially unemployed in a week in which he earned more than the weekly benefit amount, all but 5 of the States which pay benefits for partial unemployment provide some financial inducement to an individual to work short time rather than not to work at all. Two different approaches are used to accomplish this result. Connecticut and Iowa add \$2 to the weekly benefit amount—Texas adds \$4 to the biweekly benefit amount—before subtracting earnings to compute the payment for a period of partial unemployment. Most of the States disregard some earnings in computing the weekly payment. Thirty-five States disregard a stated amount (\$1 to \$5 but usually \$2 or \$3) of the wages the worker has earned during a week and pay as a benefit the difference between the remainder of his wages and his weekly benefit amount for total unemployment. In Rhode Island only odd-job earnings are thus disregarded, and in Indiana, only earnings from other than the regular employer. In 3 States the allowance is a fraction of the earnings in the week, and, in the District of Columbia, a fraction of the weekly benefit amount. Idaho specifies \$5 or ½ the weekly benefit amount, whichever is less; Michigan specifies 25 percent of the earnings in a week or \$3, whichever is greater.

In the States in which the dollar amount of earnings used in determining the existence of partial unem-

ployment ("less than weekly benefit amount plus \$2," for example) is the same as the sum disregarded in determining the amount of the benefit for partial unemployment (in this case, \$2), some partially unemployed workers will receive the same benefits as if they were totally unemployed.

In New York, each day of unemployment over 3 in a week is compensable at ¼ the weekly rate for total unemployment. No payment is made, however, until 4 "effective days" are accumulated, and 1-3 effective days may remain uncompensated at the end of a benefit year. A worker whose daily hours of work are reduced would not be considered partially unemployed if he worked more than 3 days per week.

In Texas, partial unemployment, like total unemployment, is compensated in biweekly periods. A worker may have no earnings or very meager earnings in 1 week, but if, in a benefit period of 14 consecutive calendar days, he earns as much as the benefit amount for the period he is not eligible for any benefits. Nor is a partial benefit of less than \$2 payable unless the accumulated total of such benefits payable within 14 weeks equals \$2.

While only 2 States (Iowa and Oregon) write checks for total unemployment benefits with 1-cent differentials, 8 other States write checks for partial benefits without any rounding of the weekly benefit amount. Twenty-seven States pay benefits for weeks of partial unemployment in \$1 amounts, and 10, in 50-cent amounts (table 4). Arkansas pays no benefits if the weekly benefit as computed is less than \$1.

Under the West Virginia law, benefits are paid in "units" equal to 1/5 of the weekly benefit amount. The number of units payable is "the number representing the difference between normal shift expectancy and double the number of full shifts and fractions thereof that work was available for the claimant during such pay period." Thus on a 6-day week, a claimant who had 2 days' work would be entitled to 6 minus 4 units or 2/5 of his weekly benefit amount. On a semimonthly pay roll with a normal expectancy of 13 days' work, a claimant who had 6 days' work would be entitled to 1/5 of his weekly benefit amount (13 minus 12) while one who had only 2 days' work would receive

9/5 (13 minus 4). This time-loss formula would ordinarily result in less liberal benefits than the wage-loss formula now used in most States.

In Wisconsin, where all benefits are based on wages with the employer whose account is charged, the differences between benefits for partial unemployment and for part-total unemployment are significant. A partially unemployed worker ordinarily draws benefits based on his earnings with his current employer; his benefit payment is the difference between all earnings in a week and his weekly benefit amount for total unemployment. If benefit rights with the current employer are exhausted, such a worker may draw benefits based on prior employment within 52 weeks. Thus a partially unemployed worker may draw benefits based on 2 or more weekly benefit amounts during one continuous spell of underemployment.

A part-totally unemployed worker, i. e., one totally unemployed who picks up odd-job earnings, draws benefits based on employment with his past employers in inverse chronological order. If a partially employed worker's benefit amount from a prior employer is higher than his benefit amount from his current employer, he may draw partial benefits from the current employer and part-total benefits from the prior employer for the same week. The part-total benefit is the difference between his weekly benefit amount with the past employer and that with the current employer. In other words, his total benefit for the week is the difference between his total wages for the week and his weekly benefit amount based on earnings with the prior employer.

The Wisconsin law is unique in eliminating benefits for partial unemployment for workers with the lowest benefit amounts; the minimum for total unemployment is \$2<sup>1</sup> but workers whose benefit amounts are \$5 or less are not eligible for partial benefits.

#### Diversity of Benefit Rights

The diversity of these provisions concerning partial unemployment is seen most clearly if one considers the benefits which would be payable to workers with specified weekly benefit amounts and specified earnings in a week.

<sup>1</sup> When the computed benefit is less than \$8 per week, the total amount available is paid at the rate of \$8 per week.



In 14 States no worker is considered partially unemployed if he earns \$15 in a week (the maximum benefit for total unemployment), but in Connecticut a worker with the top weekly benefit (\$22) is partially unemployed when he earns as much as \$21.95 and he can receive benefits of \$2.05.

A claimant with a \$15 weekly benefit amount and odd-job earnings of \$16 would be ineligible for benefits in all the States which define partial benefits as a week in which earnings are less than the weekly benefit amount. However, such a claimant would be eligible for \$1 in Delaware, Iowa, New Hampshire, and South Dakota; for \$1.67 in Missouri and North Carolina; and for \$2 in Arkansas, Colorado, New Jersey, Rhode Island, and Vermont.

A worker with a weekly benefit amount of \$15 and earnings of \$10.65 would be eligible in all States except New York, Texas, and West Virginia, where partial benefits are paid on other than a weekly basis. The payment for such a week of partial unemployment, assuming that the earnings were on his regular job, would vary from \$4.35 in Rhode Island to \$11 in the District of Columbia (table 5). As is seen in comparing tables 4 and 5, different formulas in Alabama, Kentucky, North Carolina, and South Carolina give the same benefits, \$6. At the other end of the scale, a worker with a weekly benefit amount of \$6 and earnings of \$4.45 at his regular job would be eligible for various amounts, ranging from \$1.55 in Rhode Island to \$7 in Alaska. It will be seen that in Alaska the allowance is so generous that a worker with a low weekly benefit amount may receive a higher benefit when partially unemployed than when totally unemployed.

#### *Special Problems in the Reconversion*

During reconversion, benefits for partial unemployment may present difficult problems. In war industries, the hours of work have been greatly increased for a large proportion of the employees. Such increases will introduce a new problem in determining "a week of less than full-time work." If time and a half or double time is paid for overtime, the full-time week might be considered the number of hours for which straight time is paid. If straight time is paid regardless of the number of hours worked, should the normal workweek be considered

the hours worked prior to the war? In establishments which were working short time before the war, this last method of measuring the full-time week might be unfair to the employees.

A greatly increased proportion of all covered workers have been receiving high wages in relation to the maximum weekly benefit. For these workers, a drastic reduction in the weekly hours of work will be needed to entitle them to benefits for partial unemployment. If, however, wage rates are reduced at the same time that hours are reduced, a larger proportion of the workers may be entitled to such benefits with a relatively small reduction in hours of work. Whatever pattern the changes in wages and hours of work follow, there will be greater possibility in the immediate post-war period than in peacetime that the partial unemployment benefit will bear little relation to the current wage loss sustained by the recipients of the benefit.

## Coverage of Domestic Employment, New York

New York is the only State providing unemployment insurance for domestic employees in private homes. The New York statute, however, covers only an "employer" who has 4 or more workers for at least 15 days in a calendar year. Few private households have as many as 4 employees. In New York, 3,000 to 3,500 such households employ an estimated 10 percent of the State's 250,000 household workers. Probably in no other State would a coverage of 4 or more bring under the act so many household workers in private homes, though California and a few of the larger cities in other States may have a considerable number of private homes with a staff of 4 or more.

Since no special studies have been made of New York's administrative experience in compensating household workers for unemployment, the guidance offered by such experience is limited. Operating data are available, however, for 1939-43 (table 6).

Average monthly employment of the domestic employees covered by the State law ranged between 17,000 and 24,300 in those 5 years. Taxable wages ranged between \$23.7 million and \$32.2 million; contributions, between \$640,000 and \$931,000; and benefit payments, between \$181,500 and \$733,000.

The ratio of benefits to contributions was generally high, although in 1943 it was only 28.3 percent. In 1942, when the ratio was highest, 52,769 weeks of total unemployment were compensated.

In 1941, a pre-war year of fairly wide employment, 74 cents was paid out in benefits to household workers in private homes for every dollar contributed by their employers, though the ratio for all covered workers in New York was only 45 cents for each dollar of contributions. In the same year, the total amount of benefits paid to household workers constituted 1 percent of all benefits paid in the State, while the contributions on their behalf constituted less than 1 percent of all contributions.

The ratio of benefits to contributions for household employees thus was higher than average, although not as high as in certain other major industry groups, notably apparel, eating and drinking places, construction industries of all types, retail apparel and accessories, hotels and rooming houses, and holding companies. It is probable, however, that the household workers covered by the present New York law have more stable employment than those not covered and that the ratio of benefits to contributions would be higher if coverage were extended to all household employees, including day workers. On the other hand, many unemployed household workers might fail to qualify for benefits because of low and irregular earnings.

The fact that the ratio of benefits to contributions was higher than the average for all workers, even though it was not as high as for other major occupational groups, is evidence of substantial unemployment among domestic employees and the need for protection against this risk.

Table 6.—Domestic employment: Average monthly covered employment, taxable wages, contributions, and benefits paid, New York, 1939-43

Year	Average monthly covered employment	Taxable wages	Contributions	Benefits paid	
				Amount	Percent of contributions
1939.....	22,533	\$30,473,000	\$931,076	(1)	-----
1940.....	24,263	32,152,496	868,117	\$662,056	76.3
1941.....	24,116	31,845,203	859,821	636,286	74.0
1942.....	20,896	27,759,500	749,507	733,039	97.8
1943.....	16,957	23,708,109	640,065	181,454	28.3

<sup>1</sup> Data not available.

<sup>2</sup> Estimate on basis of a sample.

# Employment Service Operations\*

## Labor-Market Developments

The labor force dropped to 52.2 million persons in November. The decrease from the peak of 55 million in July followed the usual seasonal pattern but was 700,000 less than the decline during the corresponding 4-month period in 1943.

About 700,000 fewer persons were employed in November than in October; most of the decrease occurred among farm workers, and it was greater for men, contrary to the trend in recent years.

Unemployment stood at 680,000 persons in November; of the 50,000 increase over October, 40,000 were men and 10,000, women.

To reduce the chance of inequities that might arise in some industrial areas where more than one item on the critical war production programs is being manufactured, a uniform Nation-wide system for classifying manpower orders has been devised. Heretofore, manpower priorities in each area were fixed by War Manpower Commission area directors, but now all employer manpower orders will be classified in the following five priority categories:

1. Orders of exceptional national importance.

2. Emergency orders.

3. Only orders from establishments that have been assigned a production urgency rating of III and whose production or service is behind schedule for manpower reasons or threatens to become so because of an expanded schedule, and only if they are orders for workers who will be engaged on "must" production or services, or on production or services with locally equivalent urgency ratings.

4. Orders from establishments with production urgency rating of IV or III whose orders have not been placed in priority category 3. Orders will be placed in this category only for workers to be employed on "must" production or services or their equivalent in urgency.

5. Orders from essential and locally needed establishments if the orders require preferential treatment in re-

\*Data from Reports and Analysis Service, War Manpower Commission, and from published releases of other Government agencies.

Table 7.—Nonagricultural placements, by State, November 1944

War Manpower Commission region and State	Total			Short- time, num- ber <sup>1</sup>	Women		Nonwhite	
	Number	Percentage change from—			Number	Per- centage change from October 1944	Number	Per- centage change from October 1944 <sup>2</sup>
		October 1944	Novem- ber 1943					
Total.....	1,034,081	-8.3	+23.9	110,078	312,807	-12.1	184,933	-5.3
Region I:								
Connecticut.....	11,939	-7.0	+17.3	328	3,532	-20.1	877	+1.4
Maine.....	4,950	-13.2	-1.6	143	1,531	-18.2	12	.....
Massachusetts.....	24,945	-7.0	+9.0	138	11,140	-4.3	794	-18.5
New Hampshire.....	2,003	-13.1	-13.6	20	994	-14.2	3	.....
Rhode Island.....	6,418	-8.4	-13.3	18	2,750	-20.6	163	+17.3
Vermont.....	1,365	-8.0	+51.0	36	465	-17.3	1	.....
Region II:								
New York.....	91,309	-14.1	+7.4	27,740	35,259	-13.9	28,564	-8.3
Region III:								
Delaware.....	2,674	+7.3	+27.9	1	1,166	+28.0	1,177	+36.5
New Jersey.....	33,512	-7.5	+2	673	13,461	-10.4	6,001	-1.5
Pennsylvania.....	61,426	-3.9	+46.0	1,905	19,427	-7.7	9,841	-10.6
Region IV:								
District of Columbia.....	4,030	-33.3	+22.3	126	2,088	-37.5	2,480	-32.0
Maryland.....	17,616	-17.7	+23.3	1	7,789	-22.0	5,312	-21.1
North Carolina.....	21,749	-12.5	+21.3	154	7,452	-14.7	6,591	-9.4
Virginia.....	23,468	-8.6	+118.9	18	7,998	-11.0	7,470	-13.6
West Virginia.....	13,463	+1.8	+73.2	258	4,092	+27.5	587	+6.9
Region V:								
Kentucky.....	12,523	-13.6	-24.5	125	3,965	-13.4	1,486	-31.8
Michigan.....	36,805	-3.0	+28.2	232	7,151	-17.6	6,236	-1.4
Ohio.....	61,519	-7.3	+1.0	10,657	18,279	-16.0	12,302	-8.7
Region VI:								
Illinois.....	66,209	-16.7	+167.6	32,626	10,445	-6.9	6,533	-5.1
Indiana.....	31,367	+1.1	+11.1	3,803	9,210	-8.6	3,467	+33.9
Wisconsin.....	17,847	-1.6	+38.0	542	4,884	-17.7	1,046	+94.8
Region VII:								
Alabama.....	24,197	+16.6	+33.7	17	7,217	-6	6,468	+3.9
Florida.....	21,205	+5.8	+2.9	780	8,515	+2.6	5,885	-1.6
Georgia.....	26,401	-13.4	+22.1	50	9,895	-15.0	6,132	-11.3
Mississippi.....	11,504	+2.6	+20.2	14	4,243	-6.2	4,579	+17.2
South Carolina.....	15,500	-1.1	+235.4	67	6,125	-6.1	4,087	+7.4
Tennessee.....	23,961	-5.8	+56.8	81	6,792	-8.0	5,208	+28.1
Region VIII:								
Iowa.....	10,086	-12.8	-17.2	206	3,499	-25.9	487	+36.4
Minnesota.....	17,437	-8.4	+20.6	4,262	4,438	-23.3	2,664	+23.8
Nebraska.....	6,160	-7.1	+45.9	240	1,763	-14.5	475	+28.4
North Dakota.....	2,073	+17.8	+2.8	204	575	0	97	-9.3
South Dakota.....	1,502	+1.7	-35.9	159	529	-1.1	93	-42.6
Region IX:								
Arkansas.....	10,561	+4.9	+35.4	217	2,946	+4.0	2,763	+19.0
Kansas.....	10,372	-14.7	+25.8	361	3,150	-20.0	1,179	-9.2
Missouri.....	27,241	-11.2	+37.3	291	6,795	-10.9	4,514	-10.1
Oklahoma.....	12,782	-1.6	+71.8	553	2,760	-9.1	1,300	-12.5
Region X:								
Louisiana.....	10,800	-13.3	-4	71	2,628	-10.3	4,320	+19.5
New Mexico.....	3,126	+5.6	+75.8	10	623	-7.3	228	+216.7
Texas.....	61,180	+3.4	+24.4	2,931	15,731	+8.1	16,941	+13.3
Region XI:								
Colorado.....	10,146	-4.0	+13.3	1,889	2,036	-12.9	250	+26.3
Idaho.....	3,878	-20.1	+9.3	186	551	-46.1	108	+44.6
Montana.....	3,847	-10.0	+44.5	214	349	-52.8	68	-15.6
Utah.....	5,629	-27.1	-17.0	31	1,463	-47.4	248	+2.5
Wyoming.....	2,017	-17.3	-2.8	52	371	-30.5	63	-35.7
Region XII:								
Arizona.....	6,410	-3.4	-7	70	2,040	-8.8	749	+41.1
California.....	111,897	-12.9	+43.5	11,337	31,577	-13.1	12,890	-27.6
Nevada.....	2,619	-8.8	-35.2	455	704	-18.4	347	+1.2
Oregon.....	16,988	-16.0	-6	1,832	4,534	-37.0	648	-13.1
Washington.....	28,125	-11.1	-25.7	3,954	7,980	-16.8	3,602	-18.9

<sup>1</sup> 3 days or less.

<sup>2</sup> Computed only for States reporting 50 or more nonwhite placements in both months.

ferral and the establishments have received a production urgency rating of V or above.

## Placement Activities

In November about a million non-farm placements were made. The October-November decrease—8 percent—was greater than in 1943 but less than in 1942. Of the 11 States reporting increases from October, North Dakota showed the largest (17.8 percent) and Indiana the smallest (1.1 percent).

November placements of women in nonfarm jobs were 12 percent fewer; the changes ranged from a 53-percent decrease in Montana to an increase of 28 percent in Delaware. Only 5 States (Arkansas, Delaware, Florida, Texas, and West Virginia) reported increases, and in 11 States the declines were more than 20 percent.

Placements of World War II veterans were fewer than in October but formed a large proportion of all non-farm placements.

## Railroad Unemployment Insurance and Employment Service\*

### Employment Service

In November, recruitment continued on a national "A" priority for brakemen, firemen, and switchmen critically needed in the Far West. Many experienced trainmen and enginemen furloughed at the close of the Great Lakes ore-shipping season were transferred to these jobs. Attention was also given to recruiting servicemen and students for temporary or part-time work handling holiday mail and express shipments. More than 15,000 placements of soldiers and sailors were reported in the second half of the month. Emphasis was also laid on recruiting agricultural workers for winter work on the railroads.

Board offices reported more than 116,000 placements, an increase of 10 percent from the preceding month. Of the total, 97,600 were complete placements in which the entire operation was conducted through Board offices; 18,700 were supplementary placements effected in cooperation with the U. S. Employment Service. The largest rise was recorded in the Chicago region, where servicemen were used in greater numbers than elsewhere. More than 1,500 of the placements reported in November resulted from the recruitment of workers in one region for jobs located in another. During November, 3,175

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 9.—Railroad unemployment insurance: Number of certifications, average payment, and average number of compensable days, benefit year 1944-45, by month<sup>1</sup>

Type of certification and period	All certifications				Percent of certifications with specified days of unemployment <sup>2</sup>			
	Number	Average payment	Average daily benefit	Average compensable days <sup>2</sup>	Total	14 days	8-13 days	5-7 days
Certifications for first registration period:								
July 1944.....	219	\$21.28	\$3.31	6.44	100.0	82.2	17.8	
August.....	498	20.76	3.34	6.21	100.0	73.9	26.1	
September.....	310	21.45	3.41	6.29	100.0	74.8	25.2	
October.....	360	20.85	3.37	6.19	100.0	76.4	23.6	
November.....	370	19.62	3.16	6.22	100.0	75.1	24.9	
Certifications for subsequent registration periods:								
July 1944.....	7	25.46	2.62	9.71	100.0	71.4	28.6	0.0
August.....	859	30.11	3.31	9.10	100.0	76.6	19.3	4.1
September.....	1,150	28.72	3.22	8.92	100.0	74.9	19.6	5.5
October.....	1,329	28.93	3.23	8.95	100.0	75.4	19.6	5.0
November.....	1,509	28.48	3.16	9.01	100.0	75.9	19.1	5.0

<sup>1</sup> Data cover only certifications for unemployment in the current benefit year. All data are based on a complete tabulation.

<sup>2</sup> Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

Mexican nationals entered the United States for work with eight carriers.

### Unemployment Insurance Operations

The gradual increase in unemployment insurance operations which has characterized recent months continued through November. Half again as many unemployed workers, two-thirds of whom were in the Chicago and Minneapolis regions, filed applications for certificate of benefit rights as in the preceding month, but no corresponding increase in new benefit accounts occurred. Although the proportion of the workers for whom accounts were opened continued to be largest for trainmen and enginemen, fewer initial payments were made to workers in these occupations and more to maintenance-of-way and structures laborers and clerks and junior office workers.

Claims receipts were 13 percent larger than in the preceding month;

increases occurred in all but the Atlanta and Denver regions. The distribution of claims among the various regions changed only slightly. Some 1,870 claims were certified during the month for benefits totaling \$49,900. All but the Dallas and Denver regions reported small increases in the number of payments made.

As in the 2 preceding months, payments for initial periods of unemployment begun in the current benefit year formed a fifth of the total. These initial payments averaged about \$1.23 less than in October, reflecting the smaller proportion of payments to train-and-engine-service workers. The average payment for subsequent periods of unemployment declined 45 cents. For both initial and subsequent periods of unemployment, a decrease in the average daily benefit rate was partly offset by a slight rise in the average number of compensable days of unemployment per registration period.

Table 8.—Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1943-45

Period	1944-45					1943-44				
	Placements	Applications <sup>1</sup>	Claims	Benefit payments <sup>2</sup>		Placements	Applications <sup>1</sup>	Claims	Benefit payments <sup>2</sup>	
				Number	Amount				Number	Amount
July-November.....	504,848	3,894	9,641	7,166	\$192,814	159,622	3,131	10,150	7,316	\$180,395
July.....	84,855	854	1,330	772	19,872	20,276	1,024	2,034	1,213	29,123
August.....	97,156	572	1,813	1,373	36,680	36,090	697	2,006	1,565	40,342
September.....	101,131	471	1,851	1,459	40,065	26,688	449	2,036	1,576	41,951
October.....	105,361	556	2,183	1,686	46,294	29,246	470	1,863	1,452	38,020
November.....	116,345	1,441	2,464	1,866	49,910	38,322	491	2,111	1,510	39,960

<sup>1</sup> Includes applications for current and preceding benefit years.

<sup>2</sup> Net figures adjusted for underpayments and recovery of overpayments. Amounts are rounded to the nearest dollar and may not add up to totals shown.



# Old-Age and Survivors Insurance

## Under the Social Security Act

### Monthly Benefits in Force and Payments Certified, November 1944

At the end of November, monthly benefits totaling more than \$20.1 million were in force for almost 1.1 million beneficiaries (table 1).

The number of monthly benefits awarded was slightly higher than in October, since increases in the number of survivor's benefit awards more than offset the decline in primary and wife's benefit awards. The number of widow's current, child's, and widow's benefits increased 3, 4, and 6 percent, respectively, over the preceding month's figures and were higher than for any previous month. Awards of lump-sum death payments were 5 percent fewer than in October.

Monthly benefit payments certified during November totaled \$17.9 million, and lump-sum death payments, \$2.0 million.

Since the changes from October in

the average individual benefits in force were too slight to affect the averages for family benefits, rounded to the nearest 10 cents, the estimates of the average family benefits in force at the end of November are not shown (see the December 1944 BULLETIN, p. 41, for October estimates).

### Family Benefits in Force, December 31, 1943

The October BULLETIN presented a distribution of the 885,000 family benefits in force as of December 31, 1943, according to the family classification of the entitled beneficiaries. A distribution by amount of family benefits is now available for most of these family classifications (tables 2 and 3).

For each family classification, the distribution shows concentration of benefits at amounts corresponding to primary benefits of \$20-30. Widow and 1-child family benefits are concentrated at amounts from \$25-40; a family benefit of \$25, in this case, corresponds to a primary benefit of \$20 since the widow's benefit is  $\frac{3}{4}$  the primary benefit, or \$15, and the child's

benefit is  $\frac{1}{2}$  the primary benefit, or \$10. A benefit of \$37.50 for a widow and 1-child family, computed in like fashion, corresponds to the \$30 primary benefit.

Table 2.—Percentage distribution of primary beneficiary families by amount of monthly family benefit in force for each specified type of family, December 31, 1943

[Estimated from a 20-percent sample]

Monthly family benefit in force	Primary only		Primary and wife	Primary and 1 child
	Male	Female		
Total, number <sup>1</sup> .....	210,000	50,200	109,200	6,400
Total, percent.....	100.0	100.0	100.0	100.0
\$10.00.....	7.8	15.2	.....	.....
10.01-14.99.....	9.9	16.8	.....	.....
15.00-19.99.....	10.3	16.6	<sup>2</sup> 10.4	<sup>3</sup> 15.0
20.00-24.99.....	31.2	38.1	5.5	7.4
25.00-29.99.....	22.4	8.9	5.7	7.4
30.00-34.99.....	10.1	2.8	20.7	23.1
35.00-39.99.....	4.4	1.1	20.8	19.4
40.00-44.99.....	<sup>4</sup> 3.9	<sup>4</sup> 5.5	14.6	12.4
45.00-49.99.....	.....	.....	9.0	5.9
50.00-54.99.....	.....	.....	5.1	4.4
55.00-59.99.....	.....	.....	3.0	1.9
60.00-64.20.....	.....	.....	5.2	3.1
Average benefit in force.....	\$23.60	\$19.00	\$37.20	\$34.40

<sup>1</sup> Families with primary, wife and child, or primary and 2 or more children not shown because too few cases.

<sup>2</sup> Minimum of \$15.00 in 5.6 percent of total cases.

<sup>3</sup> Minimum of \$15.00 in 8.2 percent of total cases.

<sup>4</sup> Benefits ranged from \$40.00 to \$42.50 (maximum possible in 1943).

Table 1.—Monthly benefits in force <sup>1</sup> in each payment status, <sup>2</sup> actions effected during the month, and payments certified, by type of benefit, November 1944

[Current month's data corrected to Dec. 15, 1944]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Oct. 31, 1944.....	1,077,022	\$19,723,478	446,779	\$10,523,402	131,098	\$1,641,079	311,368	\$3,848,178	65,229	\$1,314,925	117,712	\$2,332,580	4,836	\$63,314
Current-payment status.....	915,680	16,643,795	364,770	8,652,191	111,279	1,405,639	284,476	3,520,772	64,039	1,291,089	86,363	1,711,807	4,753	62,297
Deferred-payment status.....	4,208	76,417	2,384	50,460	474	5,734	766	9,303	157	3,320	420	7,541	7	59
Conditional-payment status.....	157,134	3,003,266	79,625	1,820,751	19,345	229,706	26,126	318,103	1,033	20,516	30,929	613,232	76	958
Suspended.....	133,020	2,504,235	70,862	1,576,962	16,407	189,376	21,760	263,181	658	12,746	23,267	461,152	66	818
Frozen.....	24,114	499,031	8,763	243,789	2,938	40,330	4,366	54,922	375	7,770	7,662	152,080	10	140
Actions during November 1944:														
Benefits awarded.....	29,960	545,501	10,272	250,084	3,637	46,318	9,459	118,979	2,292	46,375	4,158	81,937	142	1,808
Entitlements terminated <sup>3</sup> .....	7,516	136,115	2,655	63,503	1,335	16,898	2,037	26,460	227	4,506	1,228	24,288	34	460
Net adjustments <sup>4</sup> .....	28	1,860	—	79	1	46	21	1,234	5	—	7	501	0	1
In force as of Nov. 30, 1944.....	1,099,494	20,134,724	454,390	10,710,062	133,401	1,670,545	318,811	3,941,931	67,299	1,356,793	120,649	2,390,730	4,944	64,663
Current-payment status.....	936,909	17,023,750	371,879	8,824,719	113,406	1,432,802	292,393	3,620,756	66,065	1,332,220	88,297	1,749,761	4,849	63,492
Deferred-payment status.....	4,045	73,246	2,318	48,514	432	5,361	684	8,246	161	3,346	430	7,679	10	100
Conditional-payment status.....	158,540	3,037,728	80,193	1,836,829	19,543	232,382	25,734	312,929	1,063	21,227	31,922	633,290	85	1,071
Suspended.....	133,891	2,528,410	71,382	1,591,654	16,541	191,322	21,298	257,138	675	13,149	23,922	474,238	73	909
Frozen.....	24,649	509,318	8,811	245,175	3,002	41,060	4,436	55,791	388	8,078	8,000	159,052	12	162
Payments certified in November <sup>5</sup> .....	.....	\$10,984,423	.....	9,155,495	.....	1,496,977	.....	3,902,939	.....	1,403,199	.....	1,914,472	.....	68,583

<sup>1</sup> Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

<sup>2</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

<sup>3</sup> Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

<sup>4</sup> Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

<sup>5</sup> Distribution by type of benefit estimated; includes retroactive payments.

<sup>6</sup> Includes \$2,040,950 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$1,808 paid as lump-sum benefits under 1935 act (payable with respect to workers who died prior to January 1940).

About 54 percent of the cases in which only a male primary beneficiary was entitled were within this range; when the beneficiary's wife or child was entitled the proportions were 56 and 55 percent, respectively (table 2). Relatively more families consisting of a primary beneficiary and one child than of primary-and-wife families were found in the lower benefit intervals. Since average benefits of female primary beneficiaries are lower than those of male primary beneficiaries, 15 percent of the women, and only 8 percent of the men, in cases in which only the primary beneficiary was entitled, were entitled to the minimum benefit of \$10.

Survivor family benefits were based, on the average, on higher primary benefits than were those of the primary-beneficiary families. Families with fewer children show more concentration at maximum family benefit amounts and less at minimum benefit amounts than do the larger families, partly because people at the lower-income levels often have larger families and partly because many of the families with only one entitled child are families of older and higher-salaried workers, who have only one child still under age 18.

Table 3.—Percentage distribution of survivor families by amount of monthly family benefit in force, for each specified type of family, December 31, 1943

[Estimated from a 20-percent sample]

Monthly family benefit in force	Widow only	Widow with entitled children			Entitled children only			
		1 child	2 children	3 or more children	1 child	2 children	3 children	4 or more children
Total, number.....	46,800	49,900	28,600	16,800	16,800	6,900	4,100	8,800
Total, percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
\$10.00.....	<sup>1</sup> 6.9				29.7	6.2		
10.01-14.99.....	7.8	<sup>2</sup> 4.4			54.2	12.0		
15.00-19.99.....	39.0	4.3	<sup>3</sup> 4.8		13.0	13.7	<sup>4</sup> 16.2	
20.00-24.99.....	25.8	5.4	3.7	<sup>5</sup> 9.8	<sup>6</sup> 3.1	29.6	6.0	<sup>7</sup> 14.6
25.00-29.99.....	10.6	19.4	4.0	4.1		21.9	9.9	5.3
30.00-34.99.....	<sup>8</sup> 9.9	23.1	3.9	4.0		10.1	20.2	5.3
35.00-39.99.....		17.7	12.2	4.1		3.3	18.0	6.2
40.00-44.99.....		10.6	16.1	10.9		<sup>9</sup> 3.2	12.8	11.2
45.00-49.99.....		5.9	16.0	14.6			8.6	15.4
50.00-54.99.....		<sup>10</sup> 9.2	13.5	15.5			4.3	14.7
55.00-59.99.....			8.8	12.0			2.0	11.2
60.00-64.99.....			5.7	8.6			<sup>11</sup> 2.0	5.7
65.00-69.99.....			3.8	5.3				4.0
70.00-74.99.....			<sup>12</sup> 7.5	3.9				2.9
75.00-79.99.....				2.4				1.4
80.00-84.99.....				4.1				1.8
85.00.....				.7				.3
Average benefit in force.....	\$20.20	\$34.30	\$47.00	\$50.50	\$12.30	\$23.10	\$34.30	\$46.10

<sup>1</sup> Concurrent entitlement to primary benefits reduced widow's benefit below \$10 in 0.4 percent of total cases.

<sup>2</sup> Minimum of \$12.50 in 2.2 percent of total cases.

<sup>3</sup> Minimum of \$17.50 in 3.2 percent of total cases.

<sup>4</sup> Minimum of \$15.00 in 8.9 percent of total cases.

<sup>5</sup> Minimum of \$20.00 in 5.1 percent of total cases.

<sup>6</sup> Benefits ranged from \$20.00 to \$21.40 (maximum possible in 1943).

<sup>7</sup> Minimum of \$20.00 in 7.7 percent of total cases.

<sup>8</sup> Benefits ranged from \$30.00 to \$32.10 (maximum possible in 1943).

<sup>9</sup> Benefits ranged from \$40.00 to \$42.80 (maximum possible in 1943).

<sup>10</sup> Benefits ranged from \$50.00 to \$53.50 (maximum possible in 1943).

<sup>11</sup> Benefits ranged from \$60.00 to \$64.20 (maximum possible in 1943).

<sup>12</sup> Benefits ranged from \$70.00 to \$74.90 (maximum possible in 1943).

Table 4.—Distribution of applicants for account numbers, by sex, race, and age group, July–September 1944<sup>1</sup>

Age group	Total			Male			Female		
	Total	White <sup>2</sup>	Negro	Total	White <sup>2</sup>	Negro	Total	White <sup>2</sup>	Negro
Total.....	1,302,332	1,060,681	241,651	551,380	460,691	90,689	750,952	599,990	150,962
Under 15.....	174,725	152,147	22,578	122,991	106,810	16,181	51,734	45,337	6,397
15–19.....	574,339	481,769	92,570	264,436	222,961	41,475	309,903	258,808	51,095
20–24.....	109,446	72,438	37,008	27,654	19,680	7,974	81,792	52,758	29,034
25–29.....	71,598	47,786	23,812	16,494	11,146	5,348	55,104	36,640	18,464
30–34.....	69,867	51,131	18,736	15,586	11,375	4,211	54,281	39,756	14,525
35–39.....	66,686	51,429	15,257	15,941	12,671	3,270	50,745	38,758	11,987
40–44.....	57,670	46,229	11,441	10,059	12,041	3,118	41,611	33,288	8,323
45–49.....	49,858	42,349	7,509	14,881	12,542	2,339	34,977	29,807	5,170
50–54.....	42,599	37,510	5,089	14,231	12,162	2,069	28,368	25,348	3,020
55–59.....	34,269	30,892	3,377	13,153	11,427	1,726	21,116	19,465	1,651
60–64.....	24,528	22,490	2,038	11,602	10,335	1,264	12,926	12,152	774
65–69.....	14,942	13,620	1,322	9,103	8,146	957	5,839	5,474	365
70 and over.....	11,640	10,832	808	9,142	8,449	693	2,498	2,383	115
Unknown.....	165	50	106	107	43	64	58	16	42

<sup>1</sup> Excludes 2,352 applicants whose sex and/or race is unknown.<sup>2</sup> Represents all races other than Negro.

### Applicants for Account Numbers July–September 1944

By the end of September 1944, a cumulative total of 79.5 million social security accounts had been established, and an estimated 72.3 million living persons, or almost 68 percent of the estimated population aged 14 and over, held account numbers.

The 1.3 million accounts established in July–September represented the smallest third-quarter total on record and a drop of almost 38 percent from the figure for the third quarter of 1943. The number of male applicants decreased by 35 percent and the number of female applicants, by 40 percent. Men comprised 42 percent of all applicants as compared with 40 percent in the corresponding quarter of 1943.

Boys and girls under age 20 continued to represent an increasing proportion of applicants as compared with the corresponding quarter of 1943. But for the first time since 1940, when detailed age data became available by quarter, the number of female applicants under 14 years of age and at every age from 14 to 19 inclusive was less than the corresponding figure for the preceding year. As in each quarter since October–December 1943, the number of applicants aged 60 and over was smaller than in the comparable quarter of the previous year.

The number of Negro applicants was only 26 percent smaller than in

Table 5.—Number of applicants for account numbers, by year, 1941–43, and first, second, and third quarters 1944, and estimated number of account-number holders at end of each period

Period	Applicants for account numbers <sup>1</sup>		Estimated number of living account-number holders 14 years and over as of end of period			
	Total during period	Cumulative total as of end of period	Number	Percent of estimated population 14 years and over <sup>2</sup>		
				Total	Male	Female
1941.....	6,677,584	60,902,991	56,000,000	54.0	72.0	36.0
1942.....	7,637,416	68,540,407	63,000,000	60.2	77.4	43.2
1943.....	7,415,204	75,955,701	69,400,000	65.7	80.7	50.8
January–March 1944.....	919,701	76,875,402	70,100,000	66.2	81.0	51.5
April–June 1944.....	1,370,667	78,246,069	71,300,000	67.1	81.5	52.8
July–September 1944.....	1,302,332	79,548,401	72,300,000	67.9	82.0	53.9

<sup>1</sup> Excludes applicants whose sex and/or race is unknown.  
<sup>2</sup> Estimated by adjusting the cumulative total of accounts established for duplications as well as for deaths; includes Alaska and Hawaii. Data subject

to revision.

<sup>3</sup> Population 14 years of age and over estimated by U. S. Bureau of the Census; includes Alaska and Hawaii.

Table 6.—Distribution of account-number applicants under 20 years of age, by sex and age, July–September, 1944 and 1943

Age	Total			Male			Female		
	July–September		Percentage change	July–September		Percentage change	July–September		Percentage change
	1944	1943		1944	1943		1944	1943	
Under 20, total.....	749,064	1,140,913	–34.3	387,427	587,352	–34.0	361,637	553,561	–34.7
Under 18, total.....	624,321	937,155	–33.4	351,971	530,974	–33.7	272,350	406,181	–32.9
Under 14.....	66,286	86,948	–23.8	52,889	70,990	–25.5	13,397	15,958	–16.0
14.....	108,439	141,121	–23.2	70,102	95,808	–26.8	38,337	45,313	–15.4
15.....	142,794	215,932	–33.9	81,331	128,336	–36.6	61,463	87,596	–29.8
16.....	186,417	296,512	–37.1	93,686	147,984	–36.7	92,731	148,528	–37.6
17.....	120,385	196,642	–38.8	53,963	87,856	–38.6	66,422	108,786	–38.9
18.....	81,725	135,450	–39.7	24,709	41,147	–39.9	57,016	94,303	–39.5
19.....	43,018	68,308	–37.0	10,747	15,231	–29.4	32,271	53,077	–39.2

the third quarter of 1943, whereas there was a 40-percent decline in the number of white applicants. Negro

applicants comprised 19 percent of all applicants, the highest proportion on record.



## Under the Railroad Retirement Act\*

Benefit payments of \$11.7 million certified in November were about \$105,000 less than the October peak. Monthly fluctuations in amount are due to a combination of factors, some of them accidental, and cannot be taken as conclusive evidence of changes in the trend of retirement operations. In general, the amount has been increasing steadily. Payments in the current fiscal year have totaled 4 percent more than those in the same months of the fiscal year 1943-44; employee annuities increased by 6 percent and lump-sum death benefits by 23 percent, while pensions dropped 14 percent.

Of the payments in November, monthly checks to individuals on the annuity and pension rolls accounted for \$10.9 million, lump-sum death benefits for \$523,000, and retroactive payments on monthly benefits newly certified or recertified (less cancellations and refunds) for the remaining \$271,000. The bulk of the monthly payments—\$9.5 million—was for employee annuities, of which 143,000 were in force on November 30. The number of these annuities in force has been rising steadily; in the first 5

months of 1944-45, the monthly increase averaged 799 as compared with 745 for the same period a year earlier. The rise was due to a 3-percent increase in the number of certifications; the number of terminations remained virtually the same.

In July-November of this fiscal year 211 pensions a month, on the average, were terminated by death, compared with an average of 243 over the same period in 1943-44. By the end of November the pension rolls had been reduced to 19,800; the monthly amount payable for these was \$1.2 million.

The survivor annuity rolls grow slowly. In July-November, 28 cases a month, on the average, were certified and 10 terminated by death. The number in force at the end of November was 3,773, and the monthly amount payable was \$120,000. The number of death-benefit annuities in force is never large and fluctuates from month to month; at the end of November, it was 527, representing a monthly amount of \$18,900.

Lump-sum death benefits certified in the last 5 months averaged 1,543 a month at an average amount of \$370.38. For the same period a year earlier the corresponding averages were 1,286 and \$365.15.

**Earnings after age 65.**—The 1937 retirement act provides that service after the month in which the employee attains age 65 (unless it was performed before July 1, 1937) shall

not be creditable toward an annuity, but that the compensation for such service shall be taken into account if it results in increasing the amount of the annuity. In other words, if an employee's average compensation over the entire period of his service is greater than his average up to age 65, the higher average is used in computing his annuity. His annuity will not be decreased, however, if his earnings after age 65 are lower than his average up to that time. In most of the annuities currently being certified the provision is applicable, since the majority of the older men now in railroad service are at the peak of their earning power.

A sample of annuities certified in the last fiscal year showed that almost three-fourths of the annuitants who remained in service for a longer or shorter period after reaching age 65 succeeded in increasing the amounts of their annuities. The increases ranged from less than 25 cents in nearly 20 percent of the cases to almost \$5 in an extreme case; the average for all increases was 96 cents. If the annuities that were not increased are included, the average increase applicable to all annuitants who worked after age 65 was 71 cents. These "bonuses" were considerably higher than before the war and will continue to grow as long as the present relatively high earnings level continues. Compensation earned after age 65 is always creditable toward a lump-sum death benefit.

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 7.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, November 1944<sup>1</sup>

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force Oct. 31, 1944.....	166,434	\$10,803,404	142,121	\$9,478,310	20,028	\$1,186,610	3,757	\$119,496	528	\$18,997
During November 1944:										
Initial certifications.....	1,855	125,347	1,772	122,533	1	130	27	778	55	1,915
Terminations by death (deduct).....	1,158	72,643	871	58,163	219	12,066	9	275	59	2,138
In force as of Nov. 30, 1944.....	167,135	10,858,388	143,027	9,545,129	19,808	1,174,371	3,773	120,004	527	18,883
Total payments (net).....		\$ 11,651,964		9,821,362		1,160,735		121,892		25,499

<sup>1</sup> For definitions of classes of benefit, see the *Bulletin*, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-month basis ended

on approximately the 20th, terminations are reported through dates staggered from the 14th to the 27th, and total payments are on calendar-month basis. Cents omitted.

<sup>2</sup> In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

<sup>3</sup> Includes \$522,563 for lump-sum death benefits.

## Social and Economic Data

### Social Security and Other Income Payments

Income payments to individuals in November amounted to \$13.3 billion, 1.0 percent above the October figure and 7.7 percent above that in November 1943. Social insurance and related payments rose to \$180 million in November and represented 1.4 percent of total income payments.

Compensation of employees reached \$9.4 billion, 0.8 percent more than in October and 6.7 percent more than a year ago. Mustering-out pay, included in compensation of employees, amounted to \$15 million.

Entrepreneurial income of \$2.5 billion was 4.5 percent above the November 1943 amount and 1.8 percent more than in October, mainly as a result of the seasonal upward trend of farm income. Dividends and interest totaled \$970 million in November, 11.5 percent more than in the preceding November. Direct relief payments, \$79 million, remained the same as for October. A slight rise in military allowances brought those expenditures to \$238 million, more than double the amount paid in November 1943.

Total social insurance and related payments were 1.7 percent above the October total and 25.9 percent above that in November 1943. Readjustment allowances to unemployed veterans, first paid in September 1944, are included with social insurance and related payments.

#### Social Insurance and Related Payments

Payments in November under the selected social insurance and related programs shown in table 2 amounted to \$102 million, an increase of 2.4 percent from October and of 34.2 percent from November 1943. The programs included in the monthly series represented 57 percent of all social insurance and related payments as estimated by the Department of Commerce.

Benefits under State unemployment compensation laws rose 13.1 percent above the October total and were 38.9 percent above the total in November 1943. Railroad unemployment insur-

ance benefits totaled 9.3 percent more than in October and 20.9 percent more than in November 1943. Unemployment benefits formed 4.8 percent of the total payments for November 1944. Payments under the Rhode Island sickness compensation program, 0.4 percent of the total, were 9.9 percent less than in October but 17.5 percent above the amount in November 1943.

Monthly retirement and disability payments under the four programs rose 2.1 percent to \$72.0 million in November, 34 percent more than in November 1943. Payments to disabled and aged veterans amounted to 54.6 percent more than the amount a year earlier. Payments under the social security program to retired workers and their families totaled 25.7 percent more than such payments in November 1943. Over the same period, increases in retirement and disability payments amounted to 7.1 percent

under the civil-service program and 3.5 percent under the railroad program.

Total monthly survivor payments under the three programs were 31.3 percent more than a year earlier. Over these 12 months, the increase in payments to survivors was 35.7 percent under the Social Security Act, 29.4 percent for the veterans' program, and 3.5 percent for the railroad program.

Approximately 1.7 million individuals received monthly retirement and disability benefits totaling \$72.0 million under the four programs. Monthly survivor payments of \$20.6 million were made to 815,000 survivors, and 21,500 survivors received the lump-sum payments of \$3.8 million. Unemployment insurance benefits of approximately \$5 million were paid to 72,300 persons, and Rhode Island sickness compensation of \$364,000 to 5,000 beneficiaries.

The 946,000 beneficiaries receiving monthly retirement or survivor payments under the Social Security Act

Table 1.—Income payments to individuals, by specified period, 1936-44<sup>1</sup>

[In millions; data corrected to Jan. 8, 1945]

Calendar year and month	Total <sup>2</sup>	Compensation of employees <sup>3</sup>	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments <sup>4</sup>	Military allowances <sup>5</sup>
					Work relief <sup>6</sup>	Direct relief <sup>7</sup>		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	-----
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	-----
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,529	-----
1939.....	70,793	43,870	13,441	8,891	1,870	1,071	1,616	-----
1940.....	76,210	48,218	14,313	9,175	1,577	1,098	1,801	-----
1941.....	92,710	60,262	18,599	9,761	1,213	1,112	1,744	-----
1942.....	116,652	79,642	23,933	9,441	586	1,090	1,844	\$136
1943.....	142,224	100,730	27,699	10,070	58	938	1,703	1,020
1943								
November.....	12,358	8,509	2,346	870	-----	78	143	112
December.....	12,475	8,900	2,337	878	-----	79	147	134
1944								
January.....	12,672	9,003	2,402	885	-----	79	149	153
February.....	12,934	9,168	2,474	892	-----	79	156	165
March.....	12,887	9,104	2,456	900	-----	79	159	188
April.....	12,840	9,074	2,421	908	-----	78	161	198
May.....	12,927	9,096	2,452	917	-----	78	166	218
June.....	13,019	9,170	2,457	926	-----	78	165	222
July.....	12,999	9,234	2,356	935	-----	78	171	224
August.....	13,079	9,257	2,396	944	-----	78	172	231
September.....	13,023	9,246	2,336	953	-----	78	175	234
October.....	13,182	9,318	2,408	962	-----	79	177	237
November.....	13,313	9,395	2,451	970	-----	79	180	238

<sup>1</sup> Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

<sup>2</sup> Includes veterans' bonus; for totals for years 1936-42 see October 1943 *Bulletin*; November payments were \$300,000.

<sup>3</sup> Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces; and beginning with February 1944, mustering-out pay.

<sup>4</sup> Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

<sup>5</sup> Payments to recipients under 3 special public assistance programs and general assistance, value of

food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

<sup>6</sup> Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment compensation, railroad unemployment insurance, veterans' pensions and compensation, and beginning with September 1944, readjustment allowances to unemployed veterans.

<sup>7</sup> Government portion of payments to dependents of members of the armed forces; portion deducted from military pay included under compensation of employees as part of military pay rolls.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Table 2.—Selected social insurance and related programs, by specified period, 1936-44

[In thousands; data corrected to Jan. 15, 1945]

Calendar year and month	Total	Retirement, disability, and survivor programs											Unemployment insurance programs				
		Monthly retirement and disability benefits <sup>1</sup>					Survivor benefits						Rhode Island sick-ness com-pensa-tion <sup>10</sup>	Total	State unem-employment com-pensa-tion laws <sup>10</sup>	Rail-road Unem-employment Insurance Act <sup>11</sup>	
		Total	Social Security Act <sup>3</sup>	Rail-road Retirement Act <sup>3</sup>	Civil Serv-ice Com-mis-sion <sup>4</sup>	Veter-ans Ad-minis-tration <sup>5</sup>	Monthly			Lump-sum							
							Social Security Act <sup>3</sup>	Rail-road Retirement Act <sup>3</sup>	Veter-ans Ad-minis-tration <sup>5</sup>	Social Security Act <sup>3</sup>	Rail-road Retirement Act <sup>3</sup>	Civil Serv-ice Com-mis-sion <sup>4</sup>					Veter-ans Ad-minis-tration <sup>5</sup>
Number of individuals																	
1943																	
November			405.9	158.6	76.6	640.1	336.9	4.1	320.5	10.2	1.2	0.8	3.4	4.4	56.4	0.7	
December			411.4	159.0	76.8	648.6	344.6	4.1	322.7	10.5	1.2	1.4	3.3	4.1	64.4	.7	
1944																	
January			419.3	158.9	77.5	663.1	352.8	4.1	323.4	11.2	1.0	1.0	3.3	4.1	84.0	1.3	
February			427.9	159.2	77.5	687.5	363.1	4.2	325.1	12.2	1.3	1.0	3.5	4.6	104.0	1.2	
March			436.0	159.3	77.9	724.6	373.4	4.2	327.0	13.7	1.3	1.0	4.0	4.6	112.0	1.3	
April			442.2	159.5	78.5	759.2	382.1	4.2	329.3	12.3	1.4	1.0	4.1	5.5	83.3	.8	
May			451.0	159.8	78.7	792.8	391.9	4.2	332.5	13.4	1.5	1.3	4.5	8.3	87.1	.5	
June			458.5	159.9	79.2	814.4	399.2	4.2	336.5	12.3	1.3	.5	4.5	8.3	77.9	.4	
July			466.7	160.2	79.7	833.9	403.2	4.3	339.0	11.9	1.4	.9	4.4	7.6	65.7	.3	
August			475.6	160.7	80.1	854.7	411.1	4.3	344.1	14.2	1.7	1.2	4.2	7.0	72.3	.6	
September			482.2	161.2	80.9	875.6	421.8	4.3	350.9	14.2	1.6	1.2	3.7	5.9	63.3	.7	
October			492.3	162.1	82.2	901.4	434.4	4.3	358.7	15.5	1.6	1.2	3.8	5.6	63.6	.8	
November			500.6	162.8	83.2	929.6	445.7	4.3	364.7	14.6	1.5	1.5	3.9	5.0	71.4	.9	
Payments <sup>12</sup>																	
1936	\$458,896	\$458,765			\$683	\$51,630	\$299,001		\$2	\$99,992			\$4,062	\$3,395	\$131	\$131	
1937	501,664	499,532			40,001	53,694	299,666		444	96,370	\$1,278		4,401	3,684	2,132	2,132	
1938	969,600	575,814			96,766	56,118	301,277		1,383	101,492	10,478		4,604	3,405	393,786	393,786	
1939	1,043,160	608,095			107,282	58,331	307,512		1,451	109,192	13,896	1,926	4,952	3,553	435,065	429,298	
1940	1,188,630	654,041	\$21,074	114,166	62,019	317,551	\$7,784	1,448	105,696	11,736	2,497	5,810	3,960		534,589	518,700	
1941	1,085,489	726,631	55,141	119,913	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352		358,858	344,321	
1942	1,130,721	780,369	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120		350,352	344,084	
1943	921,466	840,906	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,860	80,560	79,643	
1944																	
November	75,803	72,221	8,566	10,615	6,228	28,204	5,284	142	10,244	1,442	437	419	329	310	3,582	3,540	
December	77,856	73,540	8,686	10,643	6,280	28,574	5,422	148	10,349	1,468	445	902	334	289	4,316	4,274	
1944																	
January	80,074	74,728	8,880	10,637	6,319	29,523	5,568	141	10,502	1,584	402	563	316	292	5,346	5,271	
February	85,300	79,077	9,138	10,665	6,356	31,886	5,763	147	11,638	1,725	531	587	345	297	6,224	6,156	
March	87,518	80,095	9,313	10,629	6,402	32,897	5,944	145	10,932	1,936	487	685	406	319	7,423	7,344	
April	88,132	82,613	9,439	10,707	6,426	35,303	6,035	148	10,897	1,721	554	572	416	395	5,519	5,471	
May	90,442	84,641	9,659	10,741	6,412	36,290	6,209	150	10,960	1,867	586	739	433	395	5,802	5,771	
June	90,311	85,061	9,810	10,712	6,454	36,258	6,316	146	11,467	1,712	518	625	457	596	5,250	5,224	
July	96,347	91,979	9,999	10,798	6,536	41,925	6,364	147	12,589	1,656	557	468	392	547	4,368	4,347	
August	96,305	91,459	10,236	10,843	6,506	40,369	6,549	148	12,547	1,968	661	712	419	502	4,846	4,808	
September	97,506	93,219	10,289	10,889	6,549	41,524	6,775	151	13,004	1,962	602	684	369	422	4,287	4,247	
October	99,336	94,940	10,573	11,040	6,659	42,271	7,012	147	13,038	2,138	570	708	379	404	4,346	4,350	
Novem-ber	101,707	96,739	10,770	10,982	6,673	43,593	7,172	147	13,256	2,043	523	827	389	364	4,968	4,918	

<sup>1</sup> Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

<sup>2</sup> Number and amount of primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

<sup>3</sup> Annuitants and pensioners as of 30th of month; includes disability beneficiaries. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

<sup>4</sup> Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but include also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service, which were previously included in this table, will be summarized twice a year in the *Bulletin*.

<sup>5</sup> Number of veterans receiving pensions and compensation and amount of payments.

<sup>6</sup> Number and amount of widow's, widow's current, parent's, and child's benefits. Partly estimated.

<sup>7</sup> Number of widows, parents, and children of deceased veterans on whose account payments were made and amount of payments.

<sup>8</sup> Number and amount of survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

<sup>9</sup> Number and amount of payments for burial of deceased veterans.

<sup>10</sup> Number represents average weekly number of benefit recipients. Annual amounts under State unemployment compensation laws adjusted for voided benefit checks; monthly amounts unadjusted.

<sup>11</sup> Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. 1941, 1942, and 1943 annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

<sup>12</sup> Data represent payments to individuals and exclude cost of administration. Payments under the Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations; Rhode Island sickness compensation and State unemployment insurance payments are checks issued by State agencies. Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>13</sup> Preliminary estimate.



in November represent about 587,000 families. The 250,000 monthly beneficiaries receiving monthly retirement, disability, or survivor payments under the railroad and civil-service retirement programs equal approximately the number of families receiving benefits, since these programs do not provide supplementary payments for wives and children of retired or disabled workers and since monthly benefits are not paid to more than one survivor per deceased annuitant. The 1.3 million monthly beneficiaries under the veterans' program represent at least 1.2 million families.

### Service Pensions for Survivors of World War I Veterans

Service pensions for widows and children of veterans of World War I were provided through enactment of Public Law No. 483 (78th Cong.) on December 14, 1944. The new law amends Public Law No. 484 (73d Cong., June 28, 1934) which, in its earlier form, authorized pensions for the survivors of World War I veterans who did not die from service-connected causes but had a service-connected disability at the time of death. The new legislation makes pensions payable to the widows and children of World War I veterans who had no service-connected disability at the time of death but who had served 90 days or more or were discharged because of disability incurred in line of duty. Discharge must have been under conditions other than dishonorable.

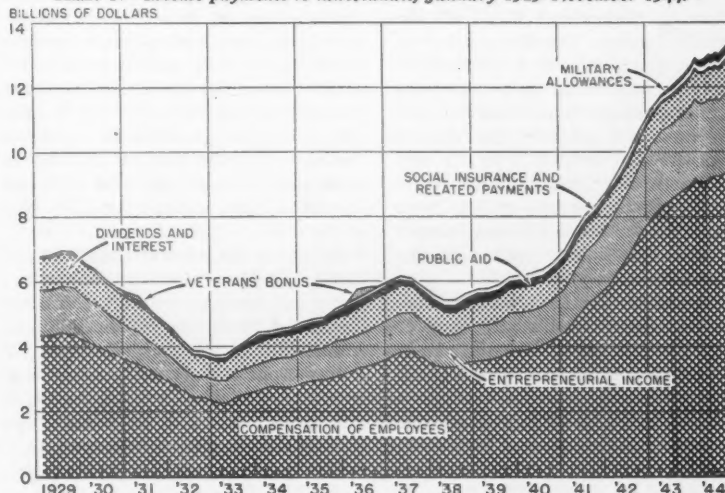
The monthly rates of the new service pensions are the same as the rates payable under Public Law No. 484 after amendment on May 27, 1944 (Public No. 312, 78th Cong.):<sup>1</sup>

Widow but no child.....	\$35.00
Widow with 1 child.....	45.00
Each additional child.....	5.00
One child, no widow.....	18.00
Two children, no widow (equally divided).....	27.00
Three children, no widow (equally divided).....	36.00
Each additional child (total amount equally divided).....	4.00

The increase in rates enacted on May 27 was not accompanied by a corresponding change in the maximum monthly payment to a family. Public Law No. 483 now raises the maximum from \$64 to \$74. The new legislation retains the same income limitation imposed by the earlier legislation for survivors of World War I veterans whose deaths are from

<sup>1</sup> See the *Bulletin*, June 1944, pp. 2, 39-40.

Chart 1.—Income payments to individuals, January 1929–November 1944.<sup>1</sup>



<sup>1</sup> Monthly average for each quarter for the period 1929–43; monthly data thereafter. Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

non-service-connected causes: benefits are not payable to a widow alone or a child whose annual income exceeds \$1,000, or to a widow with a child or children whose annual income exceeds \$2,500. In determining annual income, payments of war-risk term insurance, U. S. Government Life (converted) Insurance, and adjusted compensation are not considered.

To be eligible for service pensions, widows must have been married to the deceased veteran prior to the enactment of Public Law No. 483 or for 10 or more years. A widow's right to pension is terminated permanently by her remarriage. The definition of "child" is that used frequently in veterans' legislation; it includes unmarried children under age 18 or under age 21 if completing education, and children without regard to age if prior to age 18 they become permanently incapable of self-support because of mental or physical defect.

Since 1932, several attempts have been made to provide outright service pensions for survivors of World War I veterans. The 26-year period between the end of the war and the enactment of the present law is somewhat longer than the elapsed time between other wars and service-pension legislation. In effect, however, the pensions of Public Law No. 484 (June 1934) were practically service pensions because liberalizing amendments had gradually reduced the degree of service-connected disability which a veteran had to have at the time of his death from

30 percent to a fraction of a percent. By legislation enacted in 1924, veterans who became disabled prior to January 1, 1925, were presumed to have service-connected disabilities. Many veterans disabled as of that date failed to file applications, and a later attempt to extend the presumptive period to January 1, 1930, passed the House and Senate but was vetoed by President Hoover. The present legislation will therefore include the families of many veterans who could have established presumptive service-connected disability had they filed under the 1924 legislation or had the attempts to extend the presumptive period been successful. The amendments of Public Law No. 483 were so drafted that any World War I case in which entitlement could have been established under Public Law No. 484 in its form prior to amendment will be eligible under the new law.

Payments under the new amendments will probably not reach their estimated peak of more than \$300 million annually until 20 or 25 years have passed. It is estimated that during 1945 the amendments would make eligible for benefits the dependents of approximately 163,000 deceased World War I veterans whose deaths were not due to service, at a cost for the first year of approximately \$75 million. Since, however, experience of the Veterans Administration indicates that not more than half of those entitled will apply and receive payments the first year, the actual expenditure

for 1945 is estimated at about \$37.5 million to dependents of 81,500 deceased veterans. The effect of the expansion may be judged by comparison with the number of cases receiving payments under Public Law No. 484 before the new amendments: during 1944, pensions were paid to the survivors of approximately 27,000 World War I veterans whose deaths were from non-service-connected causes but who had service-connected disabilities.

Although Public Law No. 312 (May 1944) had extended the provisions of Public Law No. 484 to the survivors of a World War II veteran whose death was not due to service but who had a service-connected disability at the time of death, the current legislation does not affect World War II cases; widows and children of World War II veterans are not eligible for pensions unless the deceased veteran had a service-connected disability.

## Financial and Economic Data

### Social Insurance Contributions

November collections of employer and employee contributions for old-age and survivors insurance raised the amount collected in the first 11 months of 1944 to \$1,312 million (table 5), well above the total in any preceding calendar year, and an indication that 1944 taxable pay rolls would probably exceed the 1943 record high. Public Law No. 495, approved on December 16, continues existing contribution rates of 1 percent each on employers and employees throughout 1945—the ninth successive year during which contributions have been payable at the 1-percent rates.

October–November collections, which represented the great bulk of insurance contributions paid on third-quarter pay rolls, were \$7.6 million above those in the same 2 months of 1943 but about 6 percent below collections during the first 2 months of the preceding quarter in 1944. This decline resulted chiefly from the operation of the \$3,000 limit on annual taxable wages, which exempts from taxation proportionately more of total wages and salaries in covered employment as the year advances; the total covered earnings of many workers rose above \$3,000 during the third quarter of 1944 and insurance con-

tributions fell off accordingly. This phenomenon of a decline in collections based on third-quarter employment first appeared in 1943. In preceding years the continuing increase in taxable pay rolls blurred the influence of the maximum limit on collections, but the rate of growth in total pay rolls in 1943 and 1944 has not been large enough to offset this influence.

Averages for several economic indexes and Federal insurance contributions by quarter are shown in table 3. In the third quarter the index of industrial production declined 2 points from the second quarter and was 4 percent less than in the third quarter of 1943. The indexes of wage earners and of pay rolls in manufacturing were 2.0 and 5.4 points, respectively, below the averages for the preceding quarter. Higher third-quarter earnings in nonmanufacturing employment are presumably responsible in part for the fact that fourth-quarter contributions were larger than in 1943 despite a decline in all three of the indexes.

The seasonally adjusted Federal Reserve Board index of industrial output for November was the same as that for October and 15 points below the November 1943 figure. The BLS wage-earner index for manufacturing industries declined further in November to 153.4. Substantial increases from October occurred in both adjusted and unadjusted indexes of department-store sales; the November figure for the former was 29 points above the November 1943 figure of 181. The BLS index of cost of living rose to 126.5, as contrasted with 126.4 in October and 124.2 in November 1943; the retail price index also increased slightly.

Employer taxes collected under the Federal Unemployment Tax Act during November raised the cumulative total for the first 11 months of the year to \$183 million, about 14 percent above the corresponding 1943 figure. Contributions collected under State unemployment compensation programs in October and November totaled \$313 million. On the basis of this figure, it seemed likely that fourth-quarter contributions would be less than the amount in the preceding quarter, chiefly, as in the case of Federal insurance contributions, because of the operation of the \$3,000 limit on taxable wages.

Collections of the two Federal social security taxes accounted for 11 percent of the total receipts of the Federal Government during November under general and special accounts, and 7 percent of such receipts during the first 2 months of the quarter combined (table 4). Total Federal receipts during October and November were only \$120 million more than in the corresponding months of 1943, an increase of less than 3 percent, in contrast to the 200-percent increase between October–November 1943 and the corresponding months of 1942.

### Grants to States and Administrative Expenditures

Expenditures for grants to States and administration under the Social Security Act totaled \$39.1 million in November, \$1.4 million less than in November 1943. The total for the first 5 months of the current fiscal year (table 6) was 11 percent below that for the corresponding period of 1943–

Table 3.—Average indexes of industrial production, wage earners, wage-earner pay rolls, and Federal insurance contributions, by quarter, 1939–44  
[Corrected to Jan. 3, 1945]

Year and quarter	Index of industrial production <sup>1</sup>	Index of wage earners <sup>2</sup>	Index of wage-earner pay rolls <sup>3</sup>	Federal insurance contributions <sup>4</sup> [in millions]
1939				
First.....	100	95.3	93.7	\$133.3
Second.....	100	96.4	94.4	139.5
Third.....	110	100.8	99.3	141.8
Fourth.....	125	107.6	112.7	153.1
1940				
First.....	115	104.0	107.5	148.6
Second.....	118	102.4	106.4	161.2
Third.....	127	107.7	114.6	164.7
Fourth.....	138	116.1	129.5	162.8
1941				
First.....	144	119.9	139.6	170.9
Second.....	158	128.8	160.7	192.2
Third.....	170	138.4	178.5	207.7
Fourth.....	175	141.4	191.3	218.5
1942				
First.....	180	142.1	208.0	222.8
Second.....	191	148.1	228.2	246.7
Third.....	206	156.7	253.1	264.5
Fourth.....	220	162.4	279.7	278.5
1943				
First.....	228	166.3	297.6	276.7
Second.....	238	167.9	313.4	310.7
Third.....	245	170.2	321.9	333.2
Fourth.....	245	170.3	332.5	318.8
1944				
First.....	239	165.5	326.6	290.5
Second.....	236	159.4	318.0	349.6
Third.....	224	157.4	312.6	348.8
Fourth.....	(4)	(4)	(4)	326.7

<sup>1</sup> Based on unadjusted monthly index of Federal Reserve Board: 1935–39=100.

<sup>2</sup> Based on BLS unadjusted monthly index of weekly wages and wage-earner pay rolls in manufacturing industries; 1939=100.

<sup>3</sup> Contributions reported for 1 quarter are based on wages earned in covered employment in preceding quarter.

<sup>4</sup> Not available.

44. The \$2.1 million for administrative expenses of the Social Security Board during November brought fiscal-year expenditures to 36 percent of the appropriation for the year. These expenditures were 9 percent below those in July–November 1943.

November expenditures of \$36.3 million for grants to States raised to 44 percent the proportion of total appropriations expended for the eight programs during the fiscal year. Ex-

pensitures for this purpose in the July–November period were \$26.4 million below those during the first 5 months of the fiscal year 1943–44. Fiscal-year expenditures through November for each of the four grants-in-aid programs administered by the Social Security Board were below those of the previous year. Grants to States under the Social Security Act by the Children's Bureau were 29 percent below those during the first 5

months of the preceding fiscal year.

### Expenditures

Federal expenditures of \$305 million under the Social Security Act, including an appropriation of \$265 million to the old-age and survivors insurance trust fund, represented 4 percent of total Federal expenditures during November, practically the same proportion as in November 1943. Total Federal expenditures from general and

Table 4.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936–44

[In millions]																		
Period	General and special accounts												Public debt					
	Receipts of Federal Government				Expenditures of Federal Government								Change in general fund balance	Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Rail-road retirement account	All other
	Total <sup>1</sup>	Social security taxes <sup>2</sup>	Rail-road retirement and unemployment taxes <sup>3</sup>	All other	Total <sup>1</sup>	Under the Social Security Act		Under the Railroad Retirement Board		All other	Excess receipts (+) or expenditures (–)	Trust accounts, etc., <sup>4</sup> excess receipts (+) or expenditures (–)						
						Admin-istrative ex-penses and grants to States <sup>5</sup>	Net ap-propriations and transfers to old-age and survivors insurance trust fund	Admin-istrative ex-penses	Transfers to rail-road retirement account									
Fiscal year:																		
1936–37	\$5,294	\$252	(7)	\$5,042	\$5,442	\$183	\$265	\$1		\$7,993	–\$3,149	+\$374	–\$128	\$36,425	\$267	\$312		\$35,846
1937–38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	–1,384	+306	–338	37,165	662	872	\$66	35,565
1938–39	5,668	631	109	4,928	9,210	342	503	3	107	8,255	–3,542	+890	+622	40,440	1,177	1,267	67	37,929
1939–40	5,925	712	126	5,087	9,537	379	539	8	121	8,490	–3,612	+137	–947	42,968	1,738	1,710	79	39,441
1940–41	8,269	788	144	7,337	13,372	447	661	7	124	12,133	–5,103	–148	+742	48,961	2,381	2,273	74	44,233
1941–42	13,668	1,016	178	12,474	33,265	501	869	10	141	31,744	–19,596	–3,506	+358	72,422	3,202	3,139	92	65,989
1942–43	23,385	1,289	219	21,877	73,282	504	1,103	8	215	77,452	–55,897	–1,861	+6,515	136,696	4,237	4,367	178	127,914
1943–44	45,408	1,472	279	43,657	95,003	519	1,260	6	263	92,955	–49,595	–4,051	+10,662	201,003	5,409	5,870	319	189,405
5 months ended:																		
November 1942	5,596	563	61	4,972	29,134	243	528	4	146	28,213	–23,538	–64	+91	96,116	3,393	3,588	185	88,950
November 1943	14,940	674	75	14,191	38,194	240	635	2	194	37,123	–23,254	–756	+5,452	166,158	4,499	5,056	321	156,282
November 1944	15,558	701	92	14,765	40,671	213	661	3	239	39,555	–25,113	+745	–10,366	215,005	5,677	6,546	500	202,282
1943																		
November	2,370	284	8	2,078	8,110	40	271	(7)		7,799	–5,740	+290	–4,338	166,158	4,499	5,056	321	156,282
December	5,737	5	56	5,676	7,453	24	1	1		7,427	–1,716	–667	–2,664	165,877	4,779	5,095	310	155,693
1944																		
January	2,779	48	1	2,730	7,602	58	32	(7)	34	7,478	–4,823	–14	–55	170,659	4,768	5,166	333	160,392
February	2,754	309	4	2,381	8,112	33	250	(7)		7,829	–5,359	–173	+0,916	183,107	4,868	5,427	322	172,490
March	6,576	8	61	6,507	8,528	35	2	(7)		8,491	–1,962	–2,205	–2,549	184,715	5,012	5,466	311	173,936
April	3,119	38	(7)	3,081	7,890	53	32	(7)	34	7,771	–4,772	–193	–4,327	184,967	5,012	5,494	334	174,127
May	3,256	324	14	2,918	8,598	44	306	(7)		8,248	–5,342	+185	–3,757	186,366	5,012	5,774	322	175,258
June	6,249	6	68	6,175	8,627	32	2	(7)		8,593	–2,378	–613	+11,646	201,003	5,409	5,870	319	189,405
July	2,212	55	1	2,156	8,159	53	49	1	205	7,851	–5,947	+133	+1,756	208,574	5,397	5,913	513	196,751
August	2,850	305	14	2,540	8,410	39	291	(7)		8,080	–5,551	+70	–4,252	209,802	5,397	6,211	502	197,692
September	5,927	4	60	5,863	7,931	34	1	1		7,895	–2,004	–244	–2,555	209,496	5,677	6,245	490	197,084
October	2,054	59	1	1,994	8,078	50	54	1	34	7,939	–6,023	+148	–5,127	210,244	5,677	6,268	512	197,787
November	2,506	278	15	2,213	8,093	39	265	(7)		7,789	–5,587	–639	–188	215,005	5,677	6,546	500	202,282

<sup>1</sup> Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

<sup>2</sup> Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

<sup>3</sup> Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 5, footnote 5).

<sup>4</sup> Checks cashed and returned to Treasury. Excludes public-debt retirement.

<sup>5</sup> Includes administrative expenses under Wagner-Peyser Act for employment service administration, July 1940–December 1941, but excludes grants to States under that act; the latter are included in "all other." From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Also excludes funds for disease and sanitation investigations of Public Health Service. For fiscal year 1943–44 includes expenditures

from \$4,095,411 transferred to Social Security Board from War Manpower Commission for employment office facilities and services.

<sup>6</sup> Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>7</sup> Less than \$500,000.

<sup>8</sup> Excludes Social Security Board administrative expenses for August. Because of unavoidable circumstances affecting Treasury bookkeeping operations, August administrative expenditures were not drawn against Social Security Board appropriation accounts but against another account; the August figure in *Daily Statement of the U. S. Treasury*, therefore, includes none of expenditures actually made during month, but represents an advance from another account. Necessary adjustments are reflected in the September figure.

<sup>9</sup> Includes Social Security Board administrative expenses for August. See footnote 8.

Source: *Daily Statement of the U. S. Treasury*.



special accounts in November remained close to the monthly average for the entire year, although all expenditures other than those under the Social Security Act and Railroad Retirement Board were at their lowest point since April. The \$5.6 billion excess of expenditures over receipts was financed almost wholly by an increase of \$4.8 billion in the public debt, in connection with the sixth war loan drive; the general fund balance was drawn upon only slightly. The social security trust funds absorbed about 6 percent of the increase during the month in debt issues outstanding, and on November 30 the combined investment holdings of the two funds

comprised 5.8 percent of the total interest-bearing public debt. The computed average rate of interest on that debt was 1.932 percent on November 30, as compared with 1.937 percent on October 31 and 1.944 percent at the end of November 1943.

#### Status of Trust Accounts

Receipts of the old-age and survivors insurance trust fund, consisting wholly of contributions appropriated, exceeded expenditures from the fund by \$246 million during November and raised total assets for the first time to more than \$6 billion, \$1.2 billion more than the amount on November 30, 1943. There were no invest-

ment transactions during November, and total investment holdings remained at \$5,677 million—\$643 million in 2½-percent publicly issued Treasury bonds, \$4,386 million in special Treasury notes at rates varying from 1½ percent to 2½ percent, and \$648 million of 1½-percent certificates of indebtedness. The average rate of interest on these investments was 2.179 percent, as compared with 2.243 percent on November 30, 1943.

November expenditures from the fund in the form of benefit payments were about 1 percent below those in October. This does not indicate an actual decrease in benefit payments, since the figure represents checks

Table 5.—Social insurance taxes under selected programs, by specified period, 1936-44

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Taxes on carriers and their employments <sup>2</sup>	State unemployment contributions <sup>3</sup>	Federal unemployment taxes <sup>4</sup>	Railroad unemployment insurance contributions <sup>5</sup>
Cumulative through November 1944.....	\$6, 524, 207	\$1, 251, 904	\$7, 896, 979	\$941, 794	\$461, 713
Fiscal year:					
1936-37.....	194, 346	345	( <sup>6</sup> )	\$ 57, 751	
1937-38.....	514, 406	150, 132	( <sup>6</sup> )	\$ 90, 104	
1938-39.....	530, 358	109, 257	803, 007	100, 869	
1939-40.....	604, 694	120, 967	853, 955	107, 523	49, 167
1940-41.....	690, 555	136, 942	888, 450	97, 677	68, 162
1941-42.....	895, 619	170, 012	1, 063, 901	119, 944	84, 738
1942-43.....	1, 130, 495	208, 785	1, 217, 737	158, 361	102, 710
1943-44.....	1, 292, 122	267, 065	1, 353, 272	179, 909	121, 518
5 months ended:					
November 1942.....	539, 516	58, 233	572, 351	23, 485	25, 180
November 1943.....	648, 356	71, 619	683, 012	25, 850	29, 125
November 1944.....	671, 612	88, 391	650, 193	29, 656	35, 418
1943					
November.....	273, 587	8, 206	196, 735	10, 478	1, 523
December.....	3, 671	52, 914	9, 273	1, 145	27, 069
1944					
January.....	33, 849	1, 231	128, 789	14, 222	211
February.....	252, 219	4, 055	175, 358	116, 529	750
March.....	4, 404	58, 581	11, 385	3, 559	28, 479
April.....	35, 136	354	150, 189	3, 265	78
May.....	309, 381	13, 434	175, 229	14, 250	975
June.....	5, 107	64, 877	20, 037	1, 089	34, 832
July.....	51, 751	1, 305	172, 482	2, 948	57
August.....	293, 279	14, 182	160, 332	11, 727	1, 099
September.....	3, 814	56, 936	4, 369	666	33, 105
October.....	55, 427	1, 464	169, 221	3, 160	48
November.....	267, 340	14, 414	143, 789	11, 154	1, 110

<sup>1</sup> Tax effective Jan. 1, 1937, payable by employers and employees.

<sup>2</sup> Federal tax effective Mar. 1, 1936, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to Jan. 2, 1945.

<sup>4</sup> Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

<sup>5</sup> Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 4, which represent only the 10 percent deposited in general and special accounts of Treasury.

<sup>6</sup> Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

<sup>7</sup> Not available.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

Table 6.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1943-45

[In thousands]

Item	Fiscal year 1943-44		Fiscal year 1944-45	
	Appropriations <sup>1</sup>	Expenditures through November <sup>2</sup>	Appropriations <sup>1</sup>	Expenditures through November <sup>3</sup>
Total.....	\$498, 091	\$240, 161	\$480, 607	\$212, 793
Administrative expenses.....	26, 118	13, 185	25, 807	12, 245
Federal Security Agency, Social Security Board <sup>4</sup> .....	25, 451	9, 913	25, 221	8, 992
Department of Labor, Children's Bureau.....	417	178	421	168
Department of Commerce, Bureau of the Census.....	250	122	165	54
Department of the Treasury.....	( <sup>5</sup> )	2, 971	( <sup>5</sup> )	3, 030
Grants to States.....	471, 973	226, 976	454, 800	200, 548
Federal Security Agency.....	460, 773	221, 562	443, 600	196, 700
Social Security Board.....	449, 773	215, 824	432, 600	190, 862
Old-age assistance.....	336, 350	164, 551		144, 409
Aid to dependent children.....	65, 000	27, 679	403, 600	23, 941
Aid to the blind.....	9, 000	4, 795		4, 458
Unemployment compensation administration.....	\$ 39, 423	18, 799	29, 000	18, 055
Public Health Service:				
Public health work.....	11, 000	5, 739	11, 000	5, 838
Department of Labor, Children's Bureau.....	11, 200	5, 414	11, 200	3, 848
Maternal and child health services.....	5, 820	3, 068	5, 820	1, 862
Services for crippled children.....	3, 870	1, 669	3, 870	1, 317
Child welfare services.....	1, 510	677	1, 510	668

<sup>1</sup> Includes, for 1943-44, transfer of \$4,065,411 from War Manpower Commission for employment office facilities and services.

<sup>2</sup> Based on checks cashed and returned to Treasury.

<sup>3</sup> Represents appropriations and expenditures for salaries and some miscellaneous items; excludes other miscellaneous expenditures of the Board made from Federal Security Agency appropriations. Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of Treasury.

<sup>4</sup> Represents amounts expended by Treasury in administration of title II of Social Security Act and Federal Insurance Contributions Act, reimbursed to general fund of Treasury.

<sup>5</sup> Not available.

<sup>6</sup> Includes \$4,095,411 transferred from WMC for employment office facilities and services—\$2,150,000 transferred on Nov. 5, 1943, and \$1,945,411 transferred on Apr. 15, 1944.

Source: Various Federal appropriation acts (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

Table 7.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-44

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments <sup>3</sup>	Reimbursement for administrative expenses <sup>4</sup>	Net total of U. S. Government securities acquired <sup>5</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period <sup>6</sup>	Total assets at end of period
Cumulative through November 1944.....	\$6,382,989	\$408,377	\$635,002	\$137,044	\$5,676,834	\$28,680	\$313,806	\$6,019,320
Fiscal year:								
1936-37.....	265,000	2,262	27	-----	267,100	73	62	267,235
1937-38.....	387,000	15,412	5,404	-----	395,200	1,931	113,012	777,243
1938-39.....	503,000	26,051	13,892	-----	514,900	3,036	66	1,180,302
1939-40.....	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940-41.....	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941-42.....	805,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1942-43.....	1,130,495	87,403	149,304	27,492	1,035,200	24,495	6,966	4,268,296
1943-44.....	1,292,122	103,177	184,597	32,607	1,172,036	21,384	16,136	5,446,391
6 months ended:								
November 1942.....	539,516	1,001	87,577	11,838	191,461	29,480	275,720	3,698,296
November 1943.....	648,356	562	71,253	13,707	262,051	308,237	4,832,274	4,832,274
November 1944.....	671,612	3,718	91,350	11,050	267,964	28,680	313,806	6,019,320
1943								
November.....	273,587	-----	14,748	2,619	-----	27,152	308,237	4,832,274
December.....	3,671	2,122	14,990	2,619	279,940	29,097	12,527	4,820,458
1944								
January.....	33,849	110	15,275	2,002	-11,000	30,816	38,490	4,837,140
February.....	252,219	-----	15,693	2,002	100,036	31,114	172,679	5,071,663
March.....	4,404	554	16,615	2,002	144,000	28,479	17,655	5,088,004
April.....	35,136	-----	16,494	3,424	-----	23,077	37,374	5,073,221
May.....	309,381	-----	17,126	3,424	-----	22,838	327,343	5,362,051
June.....	5,107	99,828	17,171	3,424	397,000	21,384	16,136	5,446,391
July.....	51,751	4	16,630	2,437	-12,000	24,747	57,462	5,479,079
August.....	293,279	-----	18,118	2,437	-----	25,620	329,312	5,751,802
September.....	3,814	3,714	18,402	2,437	279,964	26,886	34,700	5,738,492
October.....	55,427	-----	19,204	1,869	-----	26,886	69,326	5,772,846
November.....	267,340	-----	18,996	1,869	-----	28,680	313,806	6,019,320

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.<sup>2</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.<sup>3</sup> Based on checks cashed and returned to Treasury.<sup>4</sup> Figures for October-December 1944, in addition to usual bookkeeping adjustments for April-June quarter, include additional bookkeeping adjustments for

expenditures shown in table for fiscal years 1941-42, 1942-43, and 1943-44. Corrected figures for these fiscal years will not be shown; therefore figures in table do not reflect actual outlays in the respective years.

<sup>5</sup> Minus figures represent net total of notes redeemed; includes accrued interest.<sup>6</sup> Prior to July 1940, includes balance of appropriation available for transfer.

Source: Daily Statement of the U. S. Treasury.

Table 8.—Status of the railroad retirement account, by specified period, 1938-44

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments <sup>1</sup>	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation <sup>2</sup>	To credit of disbursing officer	Total
Cumulative through November 1944.....	\$1,425,688	\$27,574	\$1,453,262	\$1,355,688	\$869,143	\$500,500	\$70,212	\$13,406	\$584,118
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	60,200	234	1,628	68,062
1938-39.....	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939-40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940-41.....	<sup>3</sup> 113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42.....	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,686	104,782
1942-43.....	214,801	5,777	220,578	214,801	130,465	178,000	4,120	12,776	194,896
1943-44.....	262,720	9,837	272,557	262,720	134,416	318,500	1,147	13,390	333,037
1944-45 (through November).....	308,817	388	309,205	238,817	58,123	500,500	70,212	13,406	584,118
1943									
November.....	-----	129	129	-----	11,144	321,000	68,633	12,672	402,305
December.....	-----	156	156	-----	11,006	310,000	68,673	12,693	391,366
1944									
January.....	-----	184	184	34,000	11,214	333,000	34,700	12,636	380,336
February.....	-----	211	211	-----	11,147	322,000	34,722	12,678	369,400
March.....	-----	238	238	-----	11,403	311,000	34,748	12,486	358,235
April.....	-----	290	290	34,500	11,267	333,500	341	13,417	347,258
May.....	-----	293	293	-----	11,459	322,500	338	13,254	336,092
June.....	-----	8,105	8,105	-----	11,161	318,500	1,147	13,390	333,037
July.....	-----	308,833	308,833	204,817	10,664	512,500	104,981	13,724	631,205
August.....	-----	48	48	-----	12,219	501,500	103,101	12,434	619,635
September.....	-----	76	76	-----	11,870	490,500	104,158	12,583	607,242
October.....	-----	104	104	34,000	11,794	512,500	70,165	12,887	608,532
November.....	-----	143	143	-----	11,576	500,500	70,212	13,406	584,118

<sup>1</sup> Based on checks cashed and returned to Treasury.<sup>2</sup> Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.<sup>3</sup> Appropriation reduced by transfer of \$9 million in October 1940 to prior-service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Daily Statement of the U. S. Treasury.

Table 9.—Status of the unemployment trust fund, by specified period, 1936-44<sup>1</sup>

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired <sup>2</sup>	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals <sup>3</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>4</sup>
Cumulative through November 1944.	\$6,550,190	\$6,546,000	\$4,190	\$7,936,276	\$355,098	\$2,280,452	\$6,010,922	\$415,555	\$23,616	\$44,012	\$539,268
Fiscal year:											
1936-37.....	312,389	293,386	94	291,703	2,737	1,000	312,389				
1937-38.....	884,247	559,705	12,247	747,660	15,172	190,975	884,247				
1938-39.....	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539				
1939-40.....	1,724,862	443,000	14,862	859,864	37,524	484,764	1,693,163	44,249	202	14,552	31,699
1940-41.....	2,283,658	563,000	10,658	892,023	45,893	537,343	2,093,736	61,347	3,059	17,784	189,921
1941-42.....	3,150,103	866,000	11,103	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,448
1942-43.....	4,372,490	1,228,000	5,460	1,217,686	75,563	174,334	4,002,570	92,441	6,861	1,834	369,890
1943-44.....	5,878,778	1,503,000	8,778	1,349,307	88,526	60,000	5,380,403	109,375	8,001	591	498,375
5 months ended:											
November 1942.....	3,635,512	449,159	47,353	568,012	46	110,380	3,341,331	22,663	10	934	294,158
November 1943.....	5,066,953	689,000	10,953	677,134	756	20,336	4,659,368	26,213	69	218	407,585
November 1944.....	6,550,190	676,000	4,190	651,934		22,172	6,010,922	31,876		179	539,268
1943											
November.....	5,066,953	288,000	10,953	289,375		3,457	4,659,368	1,372		42	407,585
December.....	5,146,745	39,000	51,745	14,238	41,101	3,594	4,711,113	24,362	3,722	37	435,632
1944											
January.....	5,177,412	71,000	11,412	35,787		5,262	4,741,639	197		56	435,773
February.....	5,435,081	261,000	8,081	263,181		6,112	4,998,707	674		74	436,373
March.....	5,471,327	39,000	5,327	17,603		6,916	5,009,396	25,631		73	461,931
April.....	5,508,478	28,000	14,478	43,714		6,567	5,046,543	71		67	461,935
May.....	5,780,782	280,000	6,782	277,219		5,752	5,318,010	877		40	462,772
June.....	5,878,778	96,000	8,778	20,431	47,425	5,463	5,380,403	31,349	4,279	25	498,375
July.....	5,925,618	43,000	12,618	50,628		3,931	5,427,100	56		24	498,518
August.....	6,215,750	298,000	4,750	284,766		4,550	5,707,316	984		17	508,433
September.....	6,248,190	34,000	3,160	6,878		4,216	5,709,979	29,795		48	538,180
October.....	6,301,412	23,000	33,412	57,245	766	4,882	5,763,098	43	69	45	538,313
November.....	6,550,190	278,000	4,190	252,416		4,593	6,010,922	999		45	539,268

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by Railroad Retirement Board and from which Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments. Totals and balances derived from unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>2</sup> Includes accrued interest.

<sup>3</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,079,000 of which \$111,000 was transferred from Kentucky account in July, \$1,000 in September and \$66,000 in October 1944.

<sup>4</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$38,030,880.

Source: Daily Statement of the U. S. Treasury.

cashed during the month and not benefits certified, which exceeded those in October. The reimbursement for administrative expenses continued at the reduced rate begun in October to adjust for an overreimbursement prior to June 30.

Assets of the railroad retirement account at the beginning of November totaled \$596 million. Treasury notes amounting to \$12.0 million were redeemed and used to meet benefit payments of \$11.6 million during the month, the difference increasing the uninvested cash balance maintained by the account. Interest on investments added \$143,000 to that balance. Total assets on November 30 were \$584

million, of which \$501 million was invested and the rest divided between the appropriation account and that of the disbursing officer.

Deposits in State accounts in the unemployment trust fund totaled \$252 million in November, about 11 percent less than in the second month of the preceding quarter and 13 percent less than in November 1943. State withdrawals for benefit payments were \$249,000 less than in October. As a result of the excess of deposits, the aggregate of balances in State accounts at the end of the month was \$248 million more than on October 31 and exceeded \$6 billion for the first time, exceeding the corre-

sponding figure for November 30, 1943, by 29 percent.

During November the unemployment trust fund acquired \$278 million of 1½-percent special certificates of indebtedness, maturing June 30, 1945, raising its total investments to more than \$6.5 billion. On November 30 these investments consisted of \$260 million in publicly issued 2½-percent Treasury bonds and \$6,286 million in 1½-percent special certificates of indebtedness. The average rate of interest on investments held at the end of the month was 1.900 percent, as compared with 1.901 percent at the end of the preceding month and 1.889 percent on November 30, 1943.



## Recent Publications in the Field of Social Security\*

### Social Security Board

*Ninth Annual Report of the Social Security Board, 1944.* Washington: U. S. Government Printing Office, 1944. 82 pp. 15 cents.<sup>1</sup>

In its report to Congress for the fiscal year 1943-44, the Social Security Board outlines, in Part I, the need for extending Federal old-age and survivors insurance to permit earnings from all types of employment to serve as credits toward benefits under that program. The Board also indicates the direction and scope of other changes in old-age and survivors insurance and the modifications of Federal-State unemployment compensation and public assistance which are necessary if these programs are to meet the strains of reconversion and the long-range future. Pointing out existing gaps in social insurance and assistance, the report stresses the desirability of insuring workers against wage loss from temporary and permanent disability, providing medical service on an insurance basis, and assuring more equitable distribution of Federal funds for public assistance, and reaffirms the Board's belief in the effectiveness and economy of a comprehensive national system of social insurance to afford a basic minimum protection.

Part II summarizes fiscal-year developments in old-age and survivors insurance, unemployment compensation, and public assistance. The appendix includes tables showing the distribution of Federal funds appropriated for these programs and data for each State on the operation of social insurance and public assistance under the Social Security Act.

### War and Social Services

AMERICAN COUNCIL ON PUBLIC AFFAIRS. *Going Back to Civilian Life.* Washington: Public Affairs Press, 1944. 26 pp. 25 cents.

The "privileges, opportunities, and rights" of returning soldiers.

\*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Board or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

<sup>1</sup> Note the following errata in the report: p. 47, line 9, \$18 billion should be \$18 million; p. 49 title of chart 9, 1944 should be 1940.

HUDDLE, FRANK P. "War Veterans and Employment." *Editorial Research Reports*, Washington, Vol. 2, Dec. 6, 1944, pp. 345-360. \$1.

"Job rights of returning service men . . . need restatement by Congress to assure full protection of veterans' interests and to remove the danger of serious clashes with employment claims of present civilian workers."

NEUSCHUTZ, LOUISE. *Jobs for the Physically Handicapped.* N. Y.: Bernard Ackerman, 1944. 240 pp. \$3.

Short popular descriptions of vocations open to the physically handicapped.

"Re-employment of Veterans: Statutory and Administrative Sanctions." *Lawyers Guild Review*, Chicago, Vol. 4, Sept.-Oct. 1944, pp. 40-44. 50 cents.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION. *First Report to Congress on United States Participation in Operations of UNRRA, as of September 30, 1944.* Washington: U. S. Govt. Print. Off., 1944. 43 pp. 10 cents.

### General

ALTMAYER, ARTHUR J. *Next Steps in Social Security.* Washington, Social Security Board, 1944. 5 pp. Mimeographed.

Ways in which unemployment insurance and old-age and survivors insurance could be improved and strengthened.

AMERICAN FEDERATION OF LABOR. *Report of the Executive Council of the American Federation of Labor to the Sixty-fourth Annual Convention, New Orleans, La., November 20, 1944.* Washington, 1944. 220 pp. Includes statements and recommendations on social security and medical care.

BAKER, HELEN. *The Readjustment of Manpower in Industry During the Transition from War to Peace.* Princeton, Industrial Relations Section, Department of Economics and Social Institutions, Princeton University, 1944. 112 pp. \$1.50.

Summarizes company planning for post-war employment and considers the problems involved for management and war workers in reallocating manpower, with particular emphasis on the employment and reemployment rights of veterans.

BEVERIDGE, SIR WILLIAM. *Full Employment in a Free Society.* London: George Allen & Unwin, Ltd., 1944. 429 pp. 12s. 6d.

Proposals outlining "the necessity, possibility and methods of achieving full employment in a free society."

After a general introduction and summary, Sir William sets forth "the facts of unemployment before the first World War and between wars," and some of the theories of employment and unemployment. A discussion of full employment in war and peace, of the internal and international implications of full employment, and of full employment and social conscience follows. In a postscript, the author analyzes the difference between his proposals and those put forth in the Government's White Paper on Employment Policy.

BIESANZ, JOHN and MAVIS. *Costa Rican Life.* N. Y.: Columbia University Press, 1944. 272 pp. \$3.

CAMERON, FLORA J. "Social Welfare in New Zealand." *Canadian Welfare*, Ottawa, Vol. 20, Dec. 1, 1944, pp. 3-9. 25 cents.

Summary of benefits available under the Social Security Act of 1938.

"A Central Social Insurance Institute in Argentina." *International Labour Review*, Montreal, Vol. 50, Dec. 1944, pp. 786-788. 50 cents.

The National Social Insurance Institute, established by decree in October 1944, "will co-ordinate all existing social insurance institutions and will be responsible for the application of a future federal system of medical assistance."

CHAMBER OF COMMERCE OF THE UNITED STATES. *Social Security in the United States: Chamber Policies and Report of Committee on Social Security.* Washington, The Chamber, 1944. 26 pp.

A summary of the basic principles of and existing provisions for social security, followed by the committee's recommendations on coverage, benefits, taxation, and health insurance.

CLARK, COLIN. *The Advance to Social Security.* Melbourne, Melbourne University Press, 1943. 24 pp. (Realities of Reconstruction, No. 8) 6d. Analysis and comparison of the Beveridge social security proposals with Australian legislation.

FOOSANER, SAMUEL J. "A Post-War Employment Tax Plan." *Taxes*, Chicago, Vol. 22, Dec. 1944, pp. 530-534. 50 cents.

Proposes tax credits for each full-time job which is created above normal expected employment.

GITTLER, JOSEPH B., and GIFFIN, ROSCOE R. "Changing Patterns of Employment in Five Southeastern

- States, 1930-1940." *Southern Economic Journal*. Chapel Hill, N. C., Vol. 11, Oct. 1944, pp. 169-182. \$1. Analyzes the changes in terms of number of people employed, shifts between agriculture and industry, and changes in types of industry.
- HAYNES, A. T. and KIRTON, R. J. "Income Tax in Relation to Social Security." *Journal of the Institute of Actuaries*, London, Vol. 72, Pt. 1, No. 333, 1944. pp. 79-118. 6s. Includes a proposal for coordinating income and social security taxes.
- JOHNSON, JAMES W., Jr. "Labor's Social Security Proposals." *American Economic Security*, Washington, Vol. 1, July-Aug. 1944, pp. 6-8. \$1 a year. Because unemployment, old age, death, and disability are national problems, organized labor recommends their solution be approached on a national level.
- KOOS, THEODORE L. "Simplification and Standardization of Procedures Relating to Social Security." *Journal of Accountancy*, N. Y., Vol. 78, Dec. 1944, pp. 477-484. 35 cents. Includes proposals for correcting inconsistencies and eliminating inequities in the present reporting and accounting systems.
- MIHANOVICH, CLEMENT S. "Population Trend: Accent on Age." *America*, N. Y., Vol. 72, Dec. 9, 1944, pp. 188-189. 15 cents. Some of the effects of an aging population on the economic and social life of the Nation.
- "Ministry of National Insurance Act, 1944." *National Insurance Gazette*, London, Vol. 33, Nov. 23, 1944, pp. 560-561. 6d. The first legislation enacted to implement the proposals made in the Government's recent White Paper on Social Insurance. The legislation was introduced as the Ministry of Social Insurance bill, but the title of the Ministry was changed during the Parliamentary debates to Ministry of National Insurance. The article summarizes the chief points of the new act and the Parliamentary debates preceding the second reading (see also next item).
- "Ministry of Social Insurance Bill." *Parliamentary Debates. House of Commons*, Vol. 404, 10th Nov. 1944, columns 1659-1714; 14th Nov. 1944, columns 1829-1917. 6d. The debates preceding the second and third readings of the bill, which was passed on November 14 as the Ministry of National Insurance Act, 1944 (see preceding item).
- NATIONAL PLANNING ASSOCIATION. *Discussion and Study Outline on Social Security*. Washington: The Association, 1944. 24 pp. (Planning Pamphlet No. 33, Supplement.) 15 cents.
- NEW ZEALAND. SOCIAL SECURITY DEPARTMENT. *Report for the Twelve Months Ended 31st March, 1944*. Wellington, E. V. Paul, Government Printer, 1944. 4 pp. 3d.
- "Os Recentes Planos de Segurança e o Desemprego." *Boletim do Comissariado do Desemprego*, Lisbon, Vol. 3, Mar.-Apr. 1944, pp. 5-12. A comparison of the Beveridge and Marsh reports, the Wagner-Murray-Dingell bill, and social security legislation in New Zealand, with suggestions for adapting similar proposals to Portuguese conditions.
- "Proceedings of the Twenty-Eighth Annual State Meeting, Louisiana Conference of Social Welfare, New Orleans, April 17-21, 1944." *Conference Comments*, Monroe, Vol. 3, Sept. 1944, pp. 7-86. 75 cents a year. Includes, in addition to the paper on Post-War Planning for Employment Security by Ewan Clague, papers on Mental Health as a Factor in the Rehabilitation of Disabled Veterans and Civilians, The Social Worker's Role in Planning for Medical Care, Why Labor Supports the Wagner-Murray-Dingell Bill, and The Doctors and Health Insurance.
- SOUTH DAKOTA. DEPARTMENT OF SOCIAL SECURITY. *Annual Report for the Period July 1, 1942 to June 30, 1943*. Pierre, 1944 (?). 40 pp.
- TAX FOUNDATION, INC. *Social Security, Its Present and Future Fiscal Aspects*. Condensed from a full study by the Research Staff of the Tax Foundation. N. Y.: The Foundation, June 1944. 126 pp. The analysis—though taken from a more complete study—supplies much original matter with respect to future costs under the existing law and the proposals of S. 1161. Most of the 53 tables contain projections or estimates of this type. Critical evaluation is directed principally at the general magnitude of the Wagner-Murray-Dingell bill, as well as some of its implications for Federal-State relations. Professor Harley Lutz of Princeton University was in charge of the research.
- TOUZEL, BESSIE. "Union of South Africa Tables Report on Social Security." *Canadian Welfare*, Ottawa, Vol. 20, Dec. 1, 1944, pp. 13-16. 25 cents. Outlines the proposals of the Social Security Committee and of the Social and Economic Planning Council.
- UMBACH, JOHN P. "Labor Conditions in Denmark." *Monthly Labor Review*, Washington, Vol. 59, Nov. 1944, pp. 945-961. 30 cents. Includes material on sickness and invalidity insurance, old-age pensions, and unemployment insurance.
- U. S. CONGRESS. SENATE. COMMITTEE ON MILITARY AFFAIRS. WAR CONTRACTS SUBCOMMITTEE. *Legislation for Reconversion and Full Employment*. Washington: U. S. Govt. Print. Off., 1944. 23 pp. (Senate Subcommittee Print No. 12.) Recommends the establishment of a national production and employment budget, made up, on the one hand, of the total of all investments and other expenditures—by consumers, by business, and by Federal, State, and local governments—needed to provide jobs for everyone, and, on the other hand, of the prospective total expenditures. To balance this budget, the Committee recommends first, a general program to encourage business expansion and increased consumer expenditure, and second, if necessary, a Federal investment and expenditure program to make up any deficiency of expenditures.
- YANKOVIC GARAFULIC, BORIS. *Organización del trabajo en tiempo de Guerra y en la Postguerra en los Estados Unidos y en Chile*. Santiago de Chile: Imp. el Imparcial, 1944. 56 pp. Labor organization in war and in the post-war period in the United States and in Chile.

### Old-Age and Survivors Insurance

"Security Benefits Raised for Mine Workers Back from Retirement or Beyond 65th Year." *United Mine Workers Journal*, Washington, Vol. 55, Dec. 1, 1944, p. 3. \$1 a year. Comment on the recent Board ruling providing for the recalculation of benefits of older workers who have gone back to work.

U. S. CONGRESS. COMMITTEE ON WAYS AND MEANS. *Hearings on Freezing the Social Security Pay Roll Tax on Employers and Employees for the Year 1945: November 27, 28 and 29, 1944*. Revised Washington: U. S. Govt. Print. Off., 1944. 147 pp.

### Employment Security

"American Federation of Labor Program for Post-War." *Labor's Monthly Survey*, Washington, Vol. 5, Nov. 1944, pp. 3-8.

The eight-point program includes recommendations for strengthening the unemployment compensation program by increasing the amount and duration of benefits and extending

coverage, and for continuing a national employment service.

CARSON, DANIEL. *Estimates of Railroad Unemployment Insurance Payments and Costs During the Period of Adjustment to Peace*. Chicago, Railroad Retirement Board, Office of the Director of Research, 1944. 50 pp. Mimeographed.

LOYSEN, MILTON O. "Suitable Work" for Unemployment Benefit Claimants." *American Economic Security*, Washington, Vol. 1, Sept.-Oct. 1944. pp. 9-15. \$1 a year.

Problems of State agencies in determining whether "unemployment benefits should be withheld if an individual refuses to apply for, or to accept, a specific job offer."

MINNESOTA, DEPARTMENT OF SOCIAL SECURITY. DIVISION OF EMPLOYMENT AND SECURITY. 1943. *Seventh Annual Report to the Governor on the Administration of the Minnesota Employment and Security Act*. St. Paul, 1944. 122 pp.

NEVADA. EMPLOYMENT SECURITY DEPARTMENT. *Employment, Payrolls, Contributions, and Benefits, State of Nevada, 1939-1942*. Prepared by Research and Statistical Unit. Carson City, Oct. 1944. 72 pp. Processed.

NEW HAMPSHIRE. BUREAU OF LABOR. UNEMPLOYMENT COMPENSATION DIVISION. *Eighth Annual Report for the Year Ended December 31, 1943*. Concord, 1944. 31 pp.

NEW YORK. DEPARTMENT OF LABOR. *Annual Report of the Industrial Commissioner for the 12 Months Ended December 31, 1943*. Albany, 1944. 258 pp. (Legislative Document (1944) No. 58.) \$1.25.

Includes the report of the Division of Placement and Unemployment Insurance.

NEW YORK. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT INSURANCE. *Insured Employees, by Selected Industries, January 1940-June 1944*. Prepared by the Bureau of Research and Statistics. Albany (?), 1944. 27 pp. Processed.

RHODE ISLAND. UNEMPLOYMENT COMPENSATION BOARD. *Eighth Annual Report 1943*. 29 pp. Typewritten. Includes data on cash sickness compensation.

"Trends in Covered Employment, 1939-1943." *Illinois Labor Bulletin*, Chicago, Vol. 5, Oct. 31, 1944, pp. 3-6.

### Public Welfare and Relief

BRISSE, PAUL T., and HECKMAN, A. A. "Casework for the Whole Community." *Survey Midmonthly*, N. Y.,

Vol. 80, Nov. 1944, pp. 307-310. 30 cents.

Recommends a broad preventive program "built around one single, strong, generalized, non-sectarian casework agency."

BRANDT, LILLIAN. *Growth and Development of AICP and COS*. N. Y.: Community Service Society, 1942. 350 pp.

The Association for Improving the Condition of the Poor and the Charity Organization Society, two large private relief organizations in New York City, were combined in 1939 as the Community Service Society.

BURNS, EVELINE M. "The Changing Role of Social Work in an Expanding American Economy." *Smith College Studies in Social Work*, Northampton, Mass., Vol. 15, Sept. 1944, pp. 1-14. 50 cents.

Declaring that social workers as a group "have fallen down miserably in the matter of public education," the author urges them to turn their "attention to the broader issues of national policy and executive leadership in moulding public opinion" to secure a comprehensive and adequate social security program.

CHAMBERLAIN, FERN L. "Research and Planning in a State Public Welfare Department." *Public Welfare*, Chicago, Vol. 2, Dec. 1944, pp. 290-293. 50 cents.

"Social research is much more than the collection and analysis of statistical data." Suggests topics for research and effective methods.

DEUTSCH, ALBERT. "American Labor and Social Work." *Science and Society*, N. Y., Vol. 8, Fall 1944, pp. 289-304.

Reviews the causes of the hostility and suspicion which formerly marked the relationship between labor and social work in the light of their present cooperation.

"Increases in Maximum Allowances for General Assistance and Aid to Dependent Children Recipients." *Pennsylvania Public Assistance Review*, Harrisburg, Third Quarter, 1944, pp. 1-11. Processed.

A discussion of the revised maximum allowance schedules which became effective in July 1944 to permit larger grants for shelter, fuel, light, and household supplies.

LERRIGO, RUTH, and BUEL, BRADLEY. *Social Work and the Joneses*. Washington: Public Affairs Committee, 1944. 31 pp. (Public Affairs Pamphlet No. 97.) 10 cents. The role of social work in an average community.

MANNING, CATHERINE M. "A Public Agency Develops Skill Through In-

Service Training." *The Family*, N. Y., Vol. 5, Dec. 1944, pp. 283-289. 25 cents.

MASSOTH, LEONA. "Changes in the Schools." *Survey Midmonthly*, N. Y., Vol. 80, Nov. 1944, pp. 317-319. 30 cents.

A discussion of the new basic curriculum adopted by the American Association of Schools of Social Work.

WICKENDEN, ELIZABETH. "The Relationship of Public Welfare to Post-war Problems." *Public Welfare*, Chicago, Vol. 2, Dec. 1944, pp. 282-287. 50 cents.

Analyzes post-war problems which the welfare worker will have to face.

### Health and Medical Care

AMERICAN HOSPITAL ASSOCIATION. HOSPITAL SERVICE PLAN COMMISSION. *A Banner Year With Blue Cross, Annual Report of the Director, 1943-1944*. Chicago: American Hospital Association, Hospital Service Plan Commission, 1944. 35 pp.

AMERICAN HOSPITAL ASSOCIATION. HOSPITAL SERVICE PLAN COMMISSION. *Non-Profit Medical Service Plans*. Chicago: American Hospital Association, Hospital Service Plan Commission, 1944. 34 pp.

Description of nonprofit medical service plans sponsored by local or State medical societies and operated in coordination with approved Blue Cross hospital plans.

BERGE, WENDELL. "Justice and the Future of Medicine." *The New England Journal of Medicine*, Boston, Vol. 231, Nov. 30, 1944, pp. 721-729. 25 cents.

Urges the medical profession to assume leadership in organizing the new medical order which is inevitable.

DAVIS, MICHAEL M. "Health for the Nation." *Survey Graphic*, N. Y., Vol. 33, Dec. 1944, pp. 491-493 ff. 30 cents.

A summary of the Health Program Conference report.

DENVER UNIVERSITY. NATIONAL OPINION RESEARCH CENTER. *What Do the American People Think About Federal Health Insurance?* Denver, 1944. 66 pp. 50 cents.

A Nation-wide survey conducted for the Physicians' Committee on Research on such questions as the adequacy of present medical care, medical insurance programs, and private versus Federal health insurance. The report also presents a detailed comparison between the findings of the National Physicians' Committee for the Extension of Medical Service and those of the Physicians' Committee on Research.

FOUNTAIN, CLAYTON W. "A C. I. O. View of What Labor Asks in Hospitalization." *Hospitals*, Chicago, Vol. 18, Dec. 1944, pp. 43-46. 30 cents.

The CIO has gone on record as favoring the enactment of the Wagner-Murray-Dingell bill "because private agencies in the medical field are not doing a proper and adequate job of insuring the health of the common people."

HEALTH PROGRAM CONFERENCE. *Principles of a Nation-Wide Health Program*. New York, 1944. 34 pp. Obtainable from the Committee on Research in Medical Economics,

1790 Broadway, New York 19, N. Y. 10 cents.

The report of the Conference, which consists of physicians, economists, and administrators, declares that "medical services should be made financially accessible to all through a national system of contributory health insurance, combined with taxation in behalf of people without sufficient income, preventive services and needed extensions and improvements of facilities."

MASSACHUSETTS. DIVISION OF EMPLOYMENT SECURITY. STATE ADVISORY COUNCIL. *Report on Sickness Benefits*. Boston, 1944. 56 pp.

Surveys the extent of coverage un-

der voluntary plans in Massachusetts and concludes that further study of the problem is necessary.

NOYES, FREDERICK W. "Clinical Rehabilitation." *Survey Midmonthly*, N. Y., Vol. 80, Nov. 1944, pp. 313-314. 30 cents.

The experience of the Connecticut State Bureau of Rehabilitation Service in establishing clinics where the physically handicapped can consult with psychologists, doctors, employers, and social workers.

"Rural Hospitalization—A Symposium." *Hospitals*, Chicago, Vol. 18, Dec. 1944, pp. 25-39. 30 cents.

Four papers on the need for a health program for rural areas.







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